

Optimum Fund Prospectus

Public open-ended investment company under Belgian law with a variable number of units opting for investments complying with the conditions of Directive 2009/65/EC - UCITS

This prospectus consists of:

- Information concerning the Bevek
- Information concerning the sub-funds

The articles of association of the Bevek and the annual reports will be appended to the prospectus.

23/01/2024

In the event of discrepancies between the Dutch and the other language versions of the prospectus, the Dutch version will prevail.

Information concerning the Bevek

A. Introduction of the Bevek

Name

Optimum Fund

Legal form

Naamloze Vennootschap (limited liability company)

Date of incorporation

29 June 2006

Life

Unlimited

Office

Havenlaan 2, B-1080 Brussels, Belgium

Status

Public Bevek with various sub-funds that has opted for investments complying with the conditions of Directive 2009/65/EC and which, as far as its operations and investments are concerned, is governed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables.

In the relationship between the investors, each sub-fund will be viewed as a separate entity. Investors have a right only to the assets of and return from the sub-fund in which they have invested. The liabilities of each individual sub-fund are covered only by the assets of that sub-fund.

List of sub-funds marketed by the Bevek

| Name | Page |
|-----------------------------|------|
| Enhanced Intelligence | |
| Exclusive Step In World 1 | |
| Exclusive Step In World 2 | |
| K&H fix egészség 1 | |
| K&H fix egészség 2 | |
| K&H fix világcégek euró | |
| K&H fix+ egészség | |
| K&H fix+ egészség 2 | |
| K&H fix+ ételmeiszeripari | |
| Step In World 1 | |
| Step In World 2 | |
| Step In World 4 | |
| World Fix 100-1 | |
| World Fix 100-2 | |
| World Fix 100-3 | |
| ČSOB Airbag 1 | |
| ČSOB Airbag Amerika 1 | |
| ČSOB Airbag Jumper EUR 12 | |
| ČSOB Airbag Jumper EUR 13 | |
| ČSOB Airbag Jumper EUR 15 | |
| ČSOB Flexibilní plán | |
| ČSOB Flexibilní portfolio | |
| ČSOB Globálních firem 5 | |
| ČSOB Globálních firem 7 | |
| ČSOB Krátkodobých dluhopisu | |
| ČSOB Krátkodobý 1 | |
| ČSOB Lookback 1 | |
| ČSOB Lookback 2 | |

| Name | Page |
|---|------|
| ČSOB Lookback 3 | |
| ČSOB Lookback farmacie a zdravotnictví 1 | |
| ČSOB Odvážný | |
| ČSOB Opatrný | |
| ČSOB Private Banking Family Enterprises 1 | |
| ČSOB Sponzoři sportu 1 | |
| ČSOB Světové trhy 2 | |
| ČSOB Světové trhy 3 | |
| ČSOB Světových firem s lookbackem 1 | |
| ČSOB Světových firem s lookbackem 2 | |
| ČSOB Velmi odvážný | |
| ČSOB Velmi opatrný | |
| ČSOB Zboží dlouhodobé spotřeby 1 | |
| ČSOB Zdravotnictví a farmacie 4 | |
| ČSOB Zpetného odkupu 2 | |

Board of Directors of the Bevek

| Name | Title | Mandate |
|----------------------|---|--|
| Patrick Dallemagne | Manager CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur | <i>Chairman</i> |
| Jean-Louis Claessens | / | <i>Independent Director</i> |
| Jozef Walravens | / | <i>Independent Director</i> |
| Anne Van Oudenhove | General Manager KBC Private Banking - East Region KBC Bank NV, Havenlaan 2, B-1080 Brussels | Non-executive director |
| Johan Tyteca | / | <i>Natural person to whom the executive management of the Bevek has been entrusted</i> |
| Walter Cauwenberghs | Head Back Office Operations KBC Asset Management NV, Havenlaan 2, 1080 Brussels | <i>Natural person to whom the executive management of the Bevek has been entrusted</i> |

B. Service providers to the Bevek

Management company

The Bevek has appointed a management company of undertakings for collective investments.
The appointed management company is KBC Asset Management NV , Havenlaan 2 , 1080 Brussels.

Delegation of the management of the investment portfolio

Regarding the delegation of the management of the investment portfolio, please see the information concerning the sub-funds.

Date of incorporation of the management company

30 December 1999

Life of the management company

Unlimited

List of the Belgian public funds and Beveks for which the management company has been appointed

Horizon, IN.flanders Employment Fund, IN.focus, KBC Eco Fund, KBC Equity Fund, KBC Index Fund, KBC Institutional Fund, KBC Master Fund, KBC Multi Interest, KBC Participation, KBC Select Immo, Optimum Fund, Perspective, Plato Institutional Index Fund, Pricos Defensive Responsible Investing, Pricos Responsible Investing, Pricos SRI, Sivek.

Names and positions of the directors of the management company of the natural persons to whom the executive management of the management company has been entrusted

| Name | Title | Mandate |
|---------------------|---|---|
| Axel Roussis | <i>Non-Executive Director</i> | |
| Katrien Mattelaer | <i>Non-Executive Director</i> | |
| Stefan Van Riet | <i>Non-Executive Director</i> | |
| Luc Vanderhaegen | <i>Independent Director</i> | |
| Wouter Vanden Eynde | <i>Independent Director</i> | |
| Peter Andronov | <i>Chairman</i> | |
| Johan Lema | <i>President of the Executive Committee</i> | <i>Natural person to whom the executive management of the management company has been entrusted</i> |
| Chris Sterckx | <i>Executive Director</i> | <i>Natural person to whom the executive management of the management company has been entrusted</i> |
| Frank Van de Vel | <i>Executive Director</i> | <i>Natural person to whom the executive management of the management company has been entrusted</i> |
| Jürgen Verschaeve | <i>Executive Director</i> | <i>Natural person to whom the executive management of the management company has been entrusted</i> |
| Klaus Vandewalle | <i>Executive Director</i> | <i>Natural person to whom the executive management of the management company has been entrusted</i> |

The natural persons to whom the executive management of the management company has been entrusted may also be directors of various Beveks.

Identity of the statutory auditor of the management company or name of the certified firm of auditors and identity of the certified auditor representing it

PriceWaterhouseCoopers België, Woluwe Garden, Woluwedal 18, 1932 Sint-Stevens-Woluwe, represented by Damien Walgrave, company auditor and recognized auditor.

Subscribed capital of the management company stating the paid-up element

The issued capital amounts to 35.754.192 euros.
The capital is fully paid up.

Remuneration policy

The remuneration policy of the management company's staff is based on the KBC Remuneration Policy, the general rules laid down regarding the remuneration policy for all staff of KBC group entities and specific guidelines laid down for staff who could have a material impact on the company's risk profile ('Key Identified Staff'). The KBC Remuneration Policy is updated annually.

General rules

Each staff member's salary comprises two parts: a fixed component and a variable component. The fixed component is primarily determined by the staff member's position (such as the responsibility they bear and the complexity of their duties). The variable component is dependent on various factors such as the company's results, the results of the staff member's department and the staff member's individual targets. The remuneration policy is also affected by market practices, competitiveness, risk factors, the company's and its shareholders' long-term objectives and developments within the regulatory framework.

'Key Identified Staff'

Special rules apply to 'Key Identified Staff'. The variable salary component for this group of staff is allotted in a manner that promotes appropriate risk management and cannot give rise to the taking of extreme risks.

For the updated version of the following information (such as a description of the method for calculating the remuneration and the benefits, and the identity of the persons responsible for allocating the remuneration and the benefits, including the make-up of the remuneration committee, if such a remuneration committee has been established) please refer to the website www.kbc.be/investment-legal-documents (Remuneration Policy). This information is also available free of charge at the counters of the institutions providing the financial services.

Financial service providers

The financial services providers in Belgium are:

KBC Bank NV, Havenlaan 2, B-1080 Brussels

Principal activities of the institutions providing the financial services

The Bevek has concluded a contract with the financial services providers for making payments to shareholders, redemption or repayment of shares and distributing information concerning the Bevek.

Distributor

KBC Asset Management NV, Havenlaan 2, B-1080 Brussels

Principal activities of the distributor:

The distributor is authorised to process the requests for subscription to and redemption of shares.

Custodian

KBC Bank NV, Havenlaan 2, B-1080 Brussels

Custodian's activities

The custodian:

- a) Ensures the safe-keeping of the assets of the Bevek and compliance with the standard obligations in this regard;
- b) Ensures that the sale, issue, purchase, redemption and withdrawal of shares in the Bevek occur in compliance with the applicable legal and regulatory provisions, the articles of association and the prospectus;
- c) Ensures that the net asset value of the shares in the Bevek is calculated in accordance with the applicable legal and regulatory provisions, the articles of association and the prospectus;
- d) Carries out the instructions of the management company or an investment company, provided that these do not contravene the applicable legal and regulatory provisions, the articles of association and/or the prospectus;
- e) Ensures that in transactions relating to the assets of the Bevek, the equivalent value is transferred to the Bevek within the usual terms;
- f) Ascertains that:
 - i. The assets in custody correspond with the assets stated in the accounts of the Bevek;
 - ii. The number of shares in circulation stated in the accounts corresponds with the number of shares in circulation as stated in the accounts of the Bevek;
 - iii. The investment restrictions specified in the applicable legal and regulatory provisions, the articles of association and the prospectus are respected;
 - iv. The rules regarding fees and costs specified in the applicable legal and regulatory provisions, the articles of association and the prospectus are respected;
 - v. The returns of the Bevek are appropriated in accordance with the applicable legal and regulatory provisions, the articles of association and the prospectus.

The custodian ensures that the cash flows of the Bevek are correctly monitored and in particular that all payments

by or on behalf of subscribers on subscription to shares in the Bevek, have been received and that all the cash of the Bevek has been booked to cash accounts that:

1. Have been opened in the name of the Bevek, in the name of the management company acting on its behalf, or in the name of the custodian acting on its behalf;
2. Have been opened at an entity as intended in Article 18(1a, b and c) of Directive 2006/73/EC; and
3. Are held in accordance with the principles set out in Article 16 of Directive 2006/73/EC.

If the cash accounts have been opened in the name of the custodian acting in name of the Bevek, no cash from the entity intended in Article 18(1a, b and c) of Directive 2006/73/EC and none of the custodian's own cash may be booked to these accounts.

The assets of the Bevek are placed in custody with a custodian as follows:

- a) For financial instruments that may be held in custody:
 - i. The custodian will hold in custody all financial instruments that may be registered in a financial instrument account in the books of the custodian, as well as all financial instruments that can be physically delivered to the custodian;
 - ii. the custodian will ensure that all financial instruments that can be registered in a financial instrument account in the custodian's books, are registered in the custodian's books in separate accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC; these separate accounts have been opened in the name of the Bevek or in the name of the management company acting on its account, so that it can be clearly ascertained at all times that they belong to the Bevek, in accordance with the applicable law.
- b) For other assets:
 - i. The custodian will verify that the Bevek or the management company acting on its behalf is the owner of the assets by checking based on information or documents provided by the Bevek or the management company and, where appropriate, of available external proofs, whether the Bevek or the management company acting on its behalf has ownership;
 - ii. The custodian will maintain a register of the assets from which it is clear that the Bevek or the management company acting on its behalf is the owner thereof and will keep that register up-to-date.

The custodian's duty to return the financial instruments only applies to financial instruments that may be held in custody.

Custody tasks delegated by the custodian

The custodian of the Bevek has delegated a number of custody tasks as of the publication date of this prospectus. The tasks delegated to this sub-custodian are:

- Holding the required accounts in financial instruments and cash;
- Carrying out the custodian's instructions regarding the financial instruments and cash;
- Where required, the timely delivery of the relevant financial instruments to other parties involved with holding them;
- The collection of every type of return from the financial instruments;
- The appropriate communication to the custodian of all information that the sub-custodian receives directly or indirectly from the issuers via the chain of depositaries and performing the required formalities with regard to the financial instruments, with the exception of exercising voting rights, unless otherwise agreed in writing;
- Maintaining and communicating to the custodian all required details regarding the financial instruments;
- Processing corporate events on financial instruments, whether or not after the holder of these instruments has made a choice;
- Providing the services that have been agreed between the custodian and the sub-custodian and are legally permitted, with the exception of investment advice and asset management and/or any other form of advice relating to transactions in or the simple holding of financial instruments;
- Maintaining and communicating to the custodian all required details regarding the financial instruments.

List of sub-custodians and sub-sub-custodians

The updated list of entities to which the custodian has delegated custody duties and, where applicable, the entities to which the delegated custody duties have been sub-delegated, can be consulted at www.kbc.be/investment-legal-documents.

The custodian is liable for the loss of financial instruments held in custody in the sense of Article 55 of the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables.

Investors can approach the institutions providing the financial services for up-to-date information regarding the identity of the custodian and its principal duties, as well as the delegation of these duties, and the identity of the institutions to which these duties have been delegated or sub-delegated, and also regarding any conflicts of interest as specified below.

Conflicts of interest

The custodian will take all reasonable measures to identify conflicts of interest that may arise in the execution of its activities between

- The custodian and management company of the Bevek, or the management companies of other beveks or funds of which the custodian holds assets;
- The custodian and the Bevek whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- The custodian and the investors in this Bevek whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- These parties themselves.

The custodian of the Bevek will implement and maintain effective organisational and administrative procedures in order to take all reasonable measures to detect, prevent, manage and control conflicts of interest so that they do not prejudice the interests of the aforementioned parties.

If these procedures are not sufficient to be able to assume with reasonable certainty that the interests of the aforementioned parties have not been harmed, the investors will be notified of the general nature or causes of conflicts of interest according to the procedure described on the following website: www.kbc.be/investment-legal-documents (About Us > Code of conduct for conflicts of interest). Investors who wish to be informed personally of such conflicts of interest can contact the financial services providers. If necessary, the open-ended investment company's custodian will adjust its processes.

Statutory auditor of the Bevek

Mazars Bedrijfsrevisoren BV, Manhattan Office Tower -Bolwerklaan 21 b8, 1210 Brussel, represented by Dirk Stragier, company auditor and recognized auditor and Nele Van Laethem, company auditor and recognized auditor

Principal activities of the statutory auditor

The statutory auditor checks whether the financial statements of the Bevek are a true and fair presentation of the financial situation of the Bevek and whether the annual report is in line with the financial statements. To determine the right working methods, the statutory auditor takes account of the existing internal audit of the Bevek in terms of drafting the financial statements and ensuring that they are true and fair.

Promoter

KBC.

Principal activities of the promoter:

The promoter promotes the Bevek and its sub-funds in the market.

Person(s) bearing the costs (in the situations referred to in articles 115, §3, para. 3, 149, 152, para. 2, 156, §1, para. 1, 157, §1, para. 3, 165, 179, para. 3 and 180, para. 3 of the Royal Decree of 12 November 2012 on the undertakings for collective investment complying with the conditions of Regulation 2009/65/EC)

KBC Asset Management NV and/or one or more companies that are members of the KBC Group and/or the person(s) referred to under "Financial service providers".

C. Corporate information

Capital

The capital of the Bevek is at all times equal to the net asset value. The capital may not be less than 1 200 000 euros.

Balance sheet date

31 August.

Rules for the valuation of the assets

See article 9 of the articles of association of the Bevek.

Rules concerning the allocation of the net income

See article 17 of the articles of association of the Bevek.

Annual general meeting of shareholders

The annual general meeting is held on the second-last banking day of the month of November at 2 pm at the Office of the Bevek or at any other place in Belgium indicated in the convening notice.

Voting rights of the shareholders

In accordance with the articles of association and the Code of Companies and associations, the shareholder has a vote at the General Meeting of shareholders in proportion to the size of their shares.

Suspension of the redemption of shares

See article 9.4 of the articles of association of the Bevek.

Liquidation of the Bevek or a sub-fund

See article 19 of the articles of association of the Bevek and the applicable provisions of the Royal Decree of 12 November 2012 on the undertakings for collective investment complying with the conditions of Regulation 2009/65/EC.

D. Techniques for efficient portfolio management

Securities Financing Transactions (SFTs)

The following applies except in the case of the Enhanced Intelligence, Exclusive Step In World 1, Exclusive Step In World 2, K&H fix egészség 1, K&H fix egészség 2, K&H fix világcégek euró, Step In World 1, Step In World 2, Step In World 4, World Fix 100-3, ČSOB Airbag 1, ČSOB Airbag Amerika 1, ČSOB Airbag Jumper EUR 12, ČSOB Airbag Jumper EUR 13, ČSOB Airbag Jumper EUR 15, ČSOB Krátkodobý 1, ČSOB Lookback 1, ČSOB Lookback 2, ČSOB Lookback 3, ČSOB Lookback farmacie a zdravotnictví 1, ČSOB Private Banking Family Enterprises 1, ČSOB Sponzoři sportu 1, ČSOB Světové trhy 2, ČSOB Světové trhy 3, ČSOB Světových firem s lookbackem 1, ČSOB Světových firem s lookbackem 2, ČSOB Zboží dlouhodobé spotřeby 1, ČSOB Zdravotnictví a farmacie 4, ČSOB Zpetného odkupu 2 sub-fund:

General

Each sub-fund may lend financial instruments within the limits set by law and regulations.

Lending financial instruments is a transaction where one a sub-fund transfers financial instruments to a counterparty in exchange for financial collateral and subject to an undertaking on the part of that counterparty to supply the sub-fund with comparable financial instruments at some future date or on the sub-fund's request. The counterparty pays a fee for this to the sub-fund.

This takes place within the framework of a securities lending system managed by either a 'principal' or an 'agent'. If it is managed by a principal, a sub-fund has a relationship only with the principal of the securities lending system which acts as counterparty and to whom title to the loaned securities is transferred. If it is managed by an agent, a sub-fund has a relationship with the agent (as manager of the system) and with one or more counterparties to whom title to the loaned securities is transferred. The agent acts as intermediary between a sub-fund and the counterparty or counterparties.

The sub-funds use the lending of financial instruments to generate additional income. This might consist of a fee paid by the principal or, in the event that the fund performs the securities lending through an agent, by the counterparty, as well as income generated through reinvestments.

The sub-funds are not permitted to agree forms of SFTs other than lending financial instruments.

General information on the SFTs used

| Type of SFT | Types of asset that the SFT can involve | Maximum percentage of the assets under management that can be involved in the SFT | Anticipated percentage of the assets under management that will be involved in the SFT |
|-------------------------------|--|---|---|
| Lending financial instruments | Only shares and bonds will be lent | When lending financial instruments a maximum of 30% of the assets under management will be involved. | Depending on market conditions 0–30% of the assets under management will be involved in the lending of financial instruments |

Criteria for the selection of counterparties

Lending financial instruments only occurs with high-quality counterparties. The management company selects which counterparties qualify for the lending of financial instruments.

The selected counterparties must meet the following minimum requirements to this end:

| Legal status | Minimum rating | Country of origin |
|--|---|---|
| The counterparty must belong to one of the following categories: a) A credit institution; or b) An investment firm; or c) A settlement or clearing institution; or d) A central bank of a member state of the European Economic Area, the European Central Bank, the European Investment Bank or a public international financial institution in which one or more European Economic Area member states participate. | Only counterparties rated as investment grade may be considered. An investment-grade rating means: a rating equal to or higher than BBB- or Baa3 according to one or more of the following accredited rating agencies: - Moody's (Moody's Investors Service); - S&P (Standard & Poor's, a division of the McGraw-Hill Companies); en - Fitch (Fitch Ratings). If the counterparty does not have a rating, the rating of the counterparty's parent company may be taken into consideration. | All geographical regions may be considered when selecting counterparties. |

The relationship with the counterparty or counterparties is governed by standard international agreements.

Description of acceptable financial collateral and its valuation

When a sub-fund lends financial instruments, it receives financial collateral in return. This financial collateral protects the sub-fund fund from default on the part of the counterparty to which the financial instruments have been lent.

Each sub-fund may accept the following forms of financial collateral:

- **Cash**; and/or
- **Bonds and other debt instruments**, issued or guaranteed by the central bank of a member state of the European Economic Area, the European Central Bank, the European Union or the European Investment Bank, a member state of the European Economic Area or the Organisation for Economic Cooperation and Development, or by a public international institution in which one or more member states of the European Economic Area participate, other than the counterparty or a person associated with it, and which are permitted to trade on a regulated market; and/or
- **Participation rights in a monetary undertaking for collective investment** that complies with Directive 2009/65/EC or which meets the conditions of Article 52(1:6) of the Royal Decree of 12 November 2012 on certain public institutions for collective investment which meet the conditions of Directive 2009/65/EC, and the net asset value of which is calculated and published daily.

The valuation of the financial collateral occurs daily in accordance with the most applicable and accurate method: mark-to-market. A daily variation margin applies based on the daily valuation. Consequently, daily margin calls are possible.

There are no limits regarding the term of the financial collateral.

Reuse of financial collateral

If a sub-fund receives collateral in the form of cash, it can reinvest this cash in

- **deposits with credit institutions** which can be withdrawn immediately and which mature within a period not exceeding twelve months, provided that the office of the credit institution is situated within a member state of the EEA, or if the office is established in a third country, provided that it is subject to prudential supervisory rules which the FSMA considers as being equivalent to the rules under European Law.
- **short term money market funds** as defined in Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.
- **government bonds** that are denominated in the same currency as the cash received and that meet the terms and conditions set out in the Royal Decree of 7 March 2006 on securities lending by certain undertakings for collective investment.

Reinvesting in this way can eliminate the credit risk to which a sub-fund is exposed concerning the collateral in respect of the financial institution where the cash account is held, but there is still a credit risk in respect of the issuer or issuers of the debt instrument(s). The management company may delegate implementation of the reinvestment policy to a third party, including the agent managing the securities lending system.

Reinvestment in deposits at the same credit institution may not exceed 10% of the sub-fund's total assets. Reinvestment in bonds issued by the same public authority may not exceed 20% of the sub-fund's total assets.

Policy on the diversification of collateral and the correlation policy

A sub-fund is not permitted to accept financial collateral issued by the party offering them.

A sub-fund's exposure to financial collateral issued by the same issuer may not exceed 20% of the sub-fund's net assets.

Holding of the financial collateral

The financial collateral will be held in the following manner:

- for cash: held in a cash account; and
- for financial collateral that is not cash: registration in a custody account.

The custodian of the financial collateral and/or the entity to which certain tasks relating to the custody of the financial collateral has been delegated is not necessarily the same entity as the custodian of the Bevek's assets, as stated under 'B. Service providers to the Bevek'.

Influence of SFTs on a sub-fund's risk profile

This lending does not affect a sub-fund's risk profile since:

- The choice of principal, agent and every counterparty is subject to strict selection criteria.
- The return of securities similar to the securities that have been lent can be requested at any time, which means that the lending of securities does not affect management of a sub-fund's assets.
- A margin management system is used to ensure that a sub-fund is at all times the beneficiary of financial security (collateral) in the form of cash or other or other specific types of securities with a low risk, such as government bonds, in case the principal or the counterparty (if a sub-fund uses an agent) does not return similar securities. The actual value of the collateral in the form of specific types of securities with a low risk must at all times exceed the actual value of the loaned securities by 5%. Furthermore, when calculating the value of the specific types of securities with a low risk provided as collateral, a margin of 3% is applied, which should prevent a negative change in price resulting in their actual value no longer exceeding the actual value of the securities. The value of the collateral in the form of cash must at all times exceed the actual value of the loaned securities.
- The criteria met by the collateral are such as to limit the credit risk. A rating of at least investment grade is required in the case of collateral in the form of bonds and other debt instruments. In the case of collateral in the form of participation rights in monetary undertakings for collective investment, the inherent diversification of these undertakings limits the credit risk. In the case of cash that is reinvested, a rating of at least investment grade is required when reinvesting in either deposits or government bonds. In the case of reinvestment in short-term money-market funds, the inherent diversification of these funds limits the credit risk.
- The criteria met by these types of collateral are such as to limit the liquidity risk. It must be possible to value the financial collateral on a daily basis by market price or to withdraw it on demand (on reinvestment of cash in deposits).
- In the case of reinvestment of cash, there are additional criteria to limit the market risk associated with the initial values in cash. When reinvesting bonds, only bonds with a remaining term to maturity of no more than one year may be considered. The shortness of this remaining term results in a low sensitivity to interest rate movements. In the case of reinvestment in short-term money-market funds, the low duration of these funds limits the market risk with respect to the initial value in cash.
- The custody of financial collateral consisting of securities occurs by placing the securities in custody accounts which, in the event of the custodian's bankruptcy, are held outside its insolvent estate. The custody of financial collateral consisting of cash occurs by holding it in cash accounts, whether or not segregated. The extent to which the custody of financial collateral consisting of cash occurs in non-segregated accounts has no influence, however, on the sub-fund's risk profile.
- Operational risks are limited by operational controls, in the shape of daily control of the market values of loaned securities and collateral and reconciliation of internal and external data.

Distribution policy for returns on the utilised SFTs

By lending securities, a sub-fund can generate additional income, which might consist of a fee paid by the principal or the counterparty (if a sub-fund uses an agent) as well as income generated through reinvestments. After deducting the direct and indirect charges – set at a flat rate of 35% of the fee received and consisting of the charges for the clearing services provided by KBC Bank NV, the charges paid to the management company for setting up and monitoring the system for lending securities, the charges for margin management, the charges associated with cash and custody accounts and cash and securities transactions, the fee paid for any management of reinvestments and, if a sub-fund uses an agent, the fee paid to the agent. This income is paid to a sub-fund. It should be noted in this regard that KBC Bank NV is an entity affiliated with the management company.

More information is provided on the terms and conditions governing securities lending in the annual or half-yearly report for the Bevek.

General strategy for hedging the exchange rate risk

In order to protect its assets against exchange rate fluctuations and within the limitations laid down in the articles of association, a sub-fund may perform transactions relating to the sale and/or the purchase of forward currency contracts, as well as the sale of call options and the purchase of put options on currencies. The transactions in question may relate solely to contracts traded on a regulated market that operates regularly, that is recognised and that is open to the public or, that are traded with a recognised, prime financial institution specialising in such transactions and dealing in the over-the-counter (OTC) market in options. With the same objective, a sub-fund may also sell currencies forward or exchange them in private transactions with prime financial institutions specialising in such transactions.

E. Social, ethical and environmental aspects

The following shall apply in the case of structured sub-funds (ČSOB Airbag 1, ČSOB Airbag Amerika 1, ČSOB Airbag Jumper EUR 12, ČSOB Airbag Jumper EUR 13, ČSOB Airbag Jumper EUR 15, ČSOB Globálních firem 5, ČSOB Globálních firem 7, ČSOB Krátkodobý 1, ČSOB Lookback 1, ČSOB Lookback 2, ČSOB Lookback 3, ČSOB Lookback farmacie a zdravotnictví 1, ČSOB Private Banking Family Enterprises 1, ČSOB Sponzoři sportu 1, ČSOB Světové trhy 2, ČSOB Světové trhy 3, ČSOB Světových firem s lookbackem 1, ČSOB Světových firem s lookbackem 2, ČSOB Zboží dlouhodobé spotřeby 1, ČSOB Zdravotnictví a farmacie 4, ČSOB Zpetného odkupu 2, Exclusive Step In World 1, Exclusive Step In World 2, K&H fix+egészség, K&H fix+ egészség 2, K&H fix+ élelmiszeripari, K&H fix egészség 1, K&H fix egészség 2, K&H fix világcégek euró, Step In World 1, Step In World 2, Step In World 4, World Fix 100-1, World Fix 100-2, World Fix 100-3):

For the investments described in the individual information regarding the sub-funds in 'Characteristics of bonds and other debt instruments' certain social ethical and environmental aspects are taken into account against which issuers are being assessed.

Investments may not be made in, amongst others:

- financial instruments issued by manufacturers of controversial weapon systems that are prohibited by international (and national) law or for which there is a broad consensus that they should be banned. These weapon systems include: cluster bombs and sub-munitions, chemical or biological weapons, anti-personnel mines (including Claymore mines), weapons containing depleted uranium;
- financial instruments issued by manufacturers of weapons containing white phosphorus and nuclear weapons;
- financial instruments issued by companies where there are serious indications that they are perpetrators of, accomplices or accessories to, or stand to benefit from the violation of globally recognised standards of Responsible investing. The main criteria used cover human rights, employee rights, the environment and anticorruption.

In this way, not only is a purely financial reality represented, but also the social reality of the sector or region. This list of exclusion criteria is not exhaustive.

A complete overview of the exclusion criteria can be found at www.kbc.be/investment-legal-documents > > General exclusion policies for conventional and Responsible Investing funds. These exclusion criteria can be modified at any time by the management company.

For structured sub-funds whose return is linked to a basket of shares, certain exclusion criteria may apply to the composition of the basket. More information on these exclusion criteria and their degree of applicability can be found in the 'Information concerning the sub-fund – 2. Investment information – Selected strategy'.

Structured sub-funds whose return is linked to an index, may not have any exposure to controversial weapons as described by national law at launch. More information can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional and Responsible Investing funds.

The following shall apply in the case of non-structured sub-funds (ČSOB Flexibilní plán, ČSOB Flexibilní portfolio, ČSOB Krátkodobých dluhopisu, ČSOB Odvážný, ČSOB Opatrný, ČSOB Velmi odvážný, ČSOB Velmi opatrný, Enhanced Intelligence):

The investment policy takes into account certain social, ethical and environmental aspects against which issuers are being assessed.

Investments may not be made in, amongst others:

- financial instruments issued by manufacturers of controversial weapon systems that are prohibited by international (and national) law or for which there is a broad consensus that they should be banned. These

- weapon systems include: cluster bombs and sub-munitions, chemical or biological weapons, anti-personnel mines (including Claymore mines), weapons containing depleted uranium;
- financial instruments issued by manufacturers of weapons containing white phosphorus and nuclear weapons;
- financial instruments issued by companies where there are serious indications that they are perpetrators of, accomplices or accessories to, or stand to benefit from the violation of globally recognised standards of Responsible Investing. The main criteria used cover human rights, employee rights, the environment and anticorruption.

In this way, not only is a purely financial reality represented, but also the social reality of the sector or region. This list of exclusion criteria is not exhaustive.

A complete overview of the exclusion criteria can be found at www.kbc.be/investment-legal-documents > *General exclusion policies for conventional and Responsible Investing funds*. These exclusion criteria can be modified at any time by the management company.

For some sub-funds, additional criteria relating to Responsible Investing may apply. These are further specified in 'Information concerning the sub-fund – 2. Investment information – Selected strategy' and on www.kbc.be/investment-legal-documents > *Exclusion policies for Responsible Investment funds*.

For sub-funds that are passively managed and therefore replicate the composition of a financial index, only the following limitation applies:

Investments may not be made in financial instruments issued by manufacturers of controversial weapon systems that are prohibited by national law. These weapon systems include: cluster bombs and sub-munitions, anti-personnel mines (including Claymore mines), weapons containing depleted uranium (More information can be found at www.kbc.be/investment-legal-documents > *General exclusion policies for conventional and Responsible Investing funds*).

Integration of sustainability risk into the investment policy:

In the investment policy, the management company shall take into account the sustainability risk as defined in prospectus under title "F. Information on the risk profile of the UCITS" as follows:

- by defining an exclusion policy (the "Exclusion Criteria") applicable to all funds and Sicavs. (Further information can be found at www.kbc.be/investment-legal-documents > *General exclusion policies for conventional and Responsible Investing funds*); and
- additional criteria relating to Responsible Investing may apply for certain sub-funds. If applicable these additional criteria are specified under title '2. Investment information - Selected Strategy' and on www.kbc.be/investment-legal-documents > *Exclusion policies for responsible investment funds*.

In its investment policy, the management company constantly assesses the underlying investments at issuer level, but also (if relevant) at the level of the asset allocation and the regional or sectoral allocation. In these regular assessments, the sustainability risk is considered as one of the various elements that can influence the return. The Responsible Investing research team assigns an ESG risk rating to the majority of companies included in the best-known benchmarks and to a selection of small and medium-sized companies, based on input from an ESG data provider, where ESG stands for "Environmental, Social and Governance". The ESG risk ratings are shared internally with portfolio managers and strategists so that they can use them as a factor in the investment decision-making process. Responsible Investing funds additionally have a target to improve the weighted average ESG risk rating (of companies) of the fund versus its asset allocation. More information on our Responsible Investing methodology can be found in this policy document: www.kbc.be/investment-legal-documents > Investment policy for Responsible Investing funds.

F. Information on the risk profile of the UCITS

Investors should take note of the general information below, the individual risks of a sub-fund which are listed under the "Information regarding the sub-fund - 3. Risk profile", as well as the "What are the risks and what could I get in return?" section in the key information document.

The value of a share can decrease or increase and the investor may not get back the amount invested.

List of risks

The information below is a general overview of the potential risks that the investor could incur. The assessment of the risks in each sub-fund can be accessed under the 'Information regarding the sub-fund - 3. Risk profile'. There, a list of risks for the relevant sub-fund may be consulted, with an indication of the risk assessment, and a brief justification for the risk assessment.

Market risk

The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio. In an equity fund, for instance, this is the risk that the equity market in question will go down and, in a bond fund, the risk that the bond market in question will fall. The higher the volatility of the market in which the UCITS invests, the greater the risk. Such markets are subject to greater fluctuations in return.

Credit risk

The risk that an issuer or a counterparty will default and fail to meet its obligations towards a sub-fund. This risk exists to the extent that a sub-fund invests in debt instruments. Debtor quality also affects the credit risk (e.g., an investment in a debtor with a rating, such as 'investment grade', will pose a lower credit risk than an investment in a debtor with a low rating, such as 'speculative grade'). Changes in the quality of the debtor can have an impact on the credit risk.

Settlement risk

The risk that settlement via a payment system will not take place as expected because payment or delivery by a counterparty fails to take place or is not in accordance with the initial conditions. This risk exists to the extent that the UCITS invests in regions where the financial markets are not yet well developed. This risk is limited in regions where the financial markets are well developed.

Liquidity risk

The risk that a position cannot be liquidated in a timely manner at a reasonable price. This means that the UCITS can only liquidate its assets at a less favourable price or after a certain period. The risk exists if the UCITS invests in instruments for which there is no market or a market with only limited liquidity; for example, in the case of unlisted investments and direct real estate investments. OTC derivatives may also lack liquidity.

Exchange or currency risk

The risk that the value of an investment will be affected by changes in exchange rates. This risk exists only to the extent that the UCITS invests in assets that are denominated in a currency that develops differently from the reference currency of the sub-fund or the share class. For instance, a sub-fund or share class denominated in USD will not be exposed to any exchange risk when investing in bonds or equities denominated in USD, but it will be exposed to an exchange risk when investing in bonds or equities denominated in EUR.

The assessment of the exchange risk does not take account of the volatility of all currencies in which the assets in portfolio are denominated vis-à-vis the reference currency of the UCITS.

Custody risk

The risk of loss of assets held in custody as a result of insolvency, negligence or fraud on the part of the custodian or a sub-custodian.

Concentration risk

The risk relating to a large concentration of investments in specific assets or in specific markets. This means that the performance of those assets or markets will have a substantial impact on the value of the UCITS portfolio. The greater the diversification of the UCITS portfolio, the smaller the concentration risk. This risk will, for example, also be higher in more specialised markets (e.g., a specific region, sector or theme) than in widely diversified markets (e.g., a worldwide allocation).

Performance risk

The risk to return, including the fact that the risk may vary depending on the choices made by each undertaking for collective investment, as well as the existence or absence of, or restrictions upon, any third-party security. The risk depends in part on the market risk and on how active the management of the manager is.

Capital risk

The risks to capital, including the potential risk of erosion due to the redemption of shares and the distribution of profit in excess of the investment return. This risk can be limited by loss-mitigation, capital-protection or capital-guarantee techniques.

Flexibility risk

Inflexibility both within the product itself, including the risk of premature redemption, and constraints on switching to other providers. This risk can mean that the UCITS is unable to take the desired actions at certain times. It can be higher in the case of UCITS or investments subject to restrictive laws or regulations.

Inflation risk

This risk is dependent on inflation. It applies, for example, to bonds with a long term to maturity and a fixed income.

Environmental factors

Uncertainty concerning the changeability of environmental factors (such as the tax regime or amendments to laws or regulations) that could affect how the UCITS operates.

Sustainability risk

Sustainability risk is the risk that the value of the investment will be adversely affected by environmental, social or governance events or conditions.

Environmental risk is the risk that the value of the investment will be adversely affected by environmental events or conditions, including those resulting from climate change and other environmental degradation.

Social risk is the risk that the value of the investment will be adversely affected by social events or conditions.

Governance risk is the risk that the value of the investment will be adversely affected by events or circumstances resulting from insufficient corporate governance.

The nature of these risks varies over time:

- I. In the short term, sustainability risk is usually dependent on a particular event. Such risks usually only affect the value of the investment when the event occurs. Examples of these events are an incident (resulting in a lawsuit to compensate for e.g. environmental damage), lawsuits and fines (e.g. for not respecting social legislation), scandals (e.g. when a company gets bad publicity because human rights are not respected within the production chain or because the products do not meet the promised ESG standards, where ESG stands for "Environmental, Social and Governance"). These types of sustainability risks are rated higher when an issuer is less stringent on ESG standards; and
- II. Long-term sustainability risk refers to risks that may develop over the long term, such as: business activities that may come under pressure due to climate change (e.g. parts of the automotive industry); changing product preferences of customers (e.g. preference for more sustainable products); difficulties in recruitment; rising costs (e.g. insurance companies facing claims as a result of changing weather conditions). As this risk develops over the long term, companies may seek to mitigate it, for example, by changing their product offerings, improving their supply chain, etc. However, the ability to adapt is not the same for all types of business activities, so some activities are more exposed to sustainability risk than others (e.g. the oil sector). This is why the sustainability risk also depends on the specific investment policy of a sub-fund.

Unless otherwise specified in the "Information concerning the sub-fund - 3. Risk profile – Environmental factors", the sustainability risk is 'low'.

Summary risk indicator

In accordance with Commission Regulation (EU) No.1286/2014, the Commission Delegated Regulation 2017/653 (EC) of March 8, 2017 as amended by the Commission Delegated Regulation 2021/2268 (EC) of September 6, 2021, a summary risk indicator has been calculated per sub-fund, or where relevant per share class or type of shares. The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. It is given as a figure between 1 and 7. The higher the figure, the greater the potential return, but also the more difficult it is to predict this return. Losses are possible too. The lowest figure does not mean that the investment is entirely free of risk. However, it does indicate that, compared with the higher figures, this product will generally provide a lower, but more predictable return.

The summary risk indicator is assessed regularly and can therefore go up or down based on data from the past. Data from the past is not always a reliable indicator of future risk and return.

The most recent indicator can be found under the 'What are the risks and what could I get in return?' heading in the 'Key Information' document.

G. Fees and charges regarding the Bevek

A detailed overview of the fees and charges of each sub-fund can be accessed in the "Information regarding the sub-fund - 5. Types of shares and fees and charges".

Recurrent fees and charges

| Recurrent fees and charges paid by the Bevek | |
|--|---|
| Fees paid to directors, insofar as the General Meeting has approved said fees. | 250 EUR per meeting attended, linked to the director's actual attendance of/participation in the meetings of the Board of Directors. This fee is divided across all the sub-funds marketed. |

| Recurrent fees and charges paid by the sub-fund | |
|---|--|
| Fee paid to the statutory auditor of the Bevek | Fee of the statutory auditor: 4 875.00 EUR/year (excluding VAT BTW) and 864 EUR/year (excluding VAT) for non-structured sub-funds 1 598.00 EUR/year (excluding VAT) for structured sub-funds These amounts can be indexed on an annual basis in accordance with the decision of the General Meeting. |

Non-recurrent fees and charges borne by the investor

If, at a certain time, the Management Company detects exceptionally high net entries in or exits from a sub-fund, it may decide to impose an additional charge (anti-dilution levy) on the entering or exiting investors concerned, intended for the sub-fund and aimed at neutralising the negative impact on the net asset value caused by investors' entries or exits.

This anti-dilution levy will only be charged in very exceptional situations where, due to exceptional market conditions, the transaction charges resulting from the entries and exits of investors are so high that they would have too great a negative impact on the net asset value (and therefore on existing investors in that sub-fund). At that time, the amount of this anti-dilution levy will be determined by the Management Company in function of the transaction charges.

This anti-dilution levy can be applied in the following sub-funds: ČSOB Flexibilní plán, ČSOB Flexibilní portfolio, ČSOB Krátkodobých dluhopisu, ČSOB Odvážný, ČSOB Opatrný, ČSOB Velmi odvážný, ČSOB Velmi opatrný, Enhanced Intelligence.

Ongoing charges

The key information document sets out the ongoing charges, which consist of management fees and other administrative or operating costs on the one hand and transaction costs on the other hand, as calculated in accordance with the provisions of the Commission Delegated Regulation 2017/653 (EC) of March 8, 2017 as amended by the Commission Delegated Regulation 2021/2268 (EC) of September 6, 2021.

The ongoing charges are the charges taken from the UCITS over a financial year. They are shown per sub-fund, or where relevant per share class or type of shares, in a figure for management fees and other administrative or operating costs and a figure for transaction costs. The figure for management fees and other administrative or operating costs represents all annual expenses and other payments from a sub-fund's assets over the given period that is based on the previous year's figures. The transaction cost figure is an estimate of both annual explicit and implicit transaction costs and is based on the transactions of the previous 36 months. For sub-funds, share classes or types of shares that have been in existence for less than 36 months, the Commission Delegated Regulation 2017/653 (EC) of March 8, 2017 as amended by the Commission Delegated Regulation 2021/2268 (EC) of September 6, 2021 establishes a modified estimation method. These figures are expressed as a percentage of the average net assets per sub-fund or, where relevant, of the share class or type of shares.

The following are not included in the charges shown: entry and exit charges paid by the investor, incidental costs such as performance fees and payments made with a view to providing collateral in the context of derivative financial instruments.

Portfolio turnover rate

An important indicator for estimating the transaction costs to be paid by a sub-fund is the portfolio turnover rate. This rate shows the frequency with which the composition of the assets changes during a year as a result of transactions not dependent on the subscription for or redemption of shares. Active asset management may result in high turnover rates. The portfolio turnover rate for the preceding year is given in the annual report.

Existence of Commission Sharing Agreements

For the following sub-funds exist Commission Sharing Agreements: ČSOB Odvážný, ČSOB Opatrný, Enhanced Intelligence

For the following sub-funds don't exist Commission Sharing Agreements: ČSOB Airbag 1, ČSOB Airbag Amerika 1, ČSOB Airbag Jumper EUR 12, ČSOB Airbag Jumper EUR 13, ČSOB Airbag Jumper EUR 15, ČSOB Flexibilní plán, ČSOB Flexibilní portfolio, ČSOB Globálních firem 5, ČSOB Globálních firem 7, ČSOB Krátkodobý 1, ČSOB Krátkodobých dluhopisů, ČSOB Lookback 1, ČSOB Lookback 2, ČSOB Lookback 3, ČSOB Lookback farmacie a zdravotnictví 1, ČSOB Private Banking Family Enterprises 1, ČSOB Sponzoři sportu 1, ČSOB Světové trhy 2, ČSOB Světové trhy 3, ČSOB Světových firem s lookbackem 1, ČSOB Světových firem s lookbackem 2, ČSOB Velmi odvážný, ČSOB Velmi opatrný, ČSOB Zboží dlouhodobé spotřeby 1, ČSOB Zdravotnictví a farmacie 4, ČSOB Zpetného odkupu 2, Exclusive Step In World 1, Exclusive Step In World 2, K&H fix+ egészség, K&H fix+ egészség 2, K&H fix+ élelmiszeripari, K&H fix egészség 1, K&H fix egészség 2, K&H fix világcégek euró, Step In World 1, Step In World 2, Step In World 4, World Fix 100-1, World Fix 100-2, World Fix 100-3

The Management Company, or where applicable, the appointed manager has entered into a Commission Sharing Agreement with one or more brokers for transactions in shares on behalf of one or more sub-funds. This agreement specifically concerns the execution of orders and the delivery of research reports.

What the Commission Sharing Agreement entails:

The Management Company, or where appropriate, the appointed manager can ask the broker to pay invoices on their behalf for a number of goods and services provided. The broker will then pay those invoices using the savings that have been built up to a certain percentage above the gross commission that it receives from the sub-funds for carrying out transactions.

N.B.:

Only goods and services that assist the Management Company, or where applicable, the appointed manager in managing the sub-funds in the interest of this a sub-fund can be covered by a Commission Sharing Agreement.

Goods and services eligible for a Commission Sharing Agreement:

- Research-related and advice-related services;
- Portfolio valuation and analysis;
- Market information and related services;
- Return analysis;
- Services related to market prices;
- Computer hardware linked to specialised computer software or research services;
- Dedicated telephone lines;
- Fees for seminars when the topic is relevant to investment services;
- Publications when the topic is relevant to investment services;
- All other goods and services that contribute directly or indirectly to achieving the investment objectives of the sub-funds.

The Management Company, or where appropriate, the appointed manager has laid down an internal policy as regards entering into Commission Sharing Agreements and avoiding possible conflicts of interest in this respect, and has put appropriate internal controls in place to ensure this policy is observed.

More information on Commission Sharing Agreements is available in the annual report.

Existence of fee sharing agreements and rebates

The management company may share its fee with the distributor, and institutional and/or professional parties.

In principle, the percentage share amounts to between 35% and 70%. However, in a small number of cases, the distributor's fee is less than 35%. Investors may, on request, obtain more information on these cases.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee-sharing does not affect the amount of the management fee paid by a sub-fund to the management company. This management fee is subject to the limitations laid down in the articles of association. The limitations may only be amended after approval by the General Meeting.

The management company has concluded a distribution agreement with the distributor in order to facilitate the wider distribution of the sub-fund's shares by using multiple distribution channels.

It is in the interests of the holders of shares of a sub-fund and of the distributor for the largest possible number of shares to be sold and for the assets of a sub-fund to be maximised in this way. In this respect, there is therefore no question of any conflict of interest.

H. Tax treatment

Of the Bevek

Annual tax on undertakings for collective investment

The following tax is due payable by the Bevek :

| | | |
|--|---|---|
| Annual tax on undertakings for collective investment | 0.0925% (0.01% for institutional share classes) | of the net amounts outstanding in Belgium on 31 December of the preceding year. The amounts already included in the tax base of the underlying undertakings for collective investment are not included in the tax base. |
|--|---|---|

Furthermore tax withheld at the source on foreign income is recovered by the Bevek (in accordance with double taxation conventions).

Of the investor

The following tax-related information is of a general character and is not intended to cover all aspects of an investment in a UCITS. In certain cases entirely different rules might even apply. Moreover, both tax law and the interpretation of it can change. Investors who wish to have more information about the tax implications – in both Belgium and abroad – of acquiring, holding and transferring shares should seek the advice of their usual financial and tax advisers.

Withholding tax

This tax is charged at 30% as of 1.1.2017.

For investors subject to personal income tax or tax on legal entities

Tax on dividends (distribution shares)

For investors subject to personal income tax or to tax on legal entities and who have received this income through the normal management of their assets, the withholding tax is automatically the final tax on this income.

Tax on debt claim returns (Article 19bis of the 1992 Income Tax Code)

If the percentage of debt claims is more than 25% (for shares acquired as of 1 January 2018, this percentage is lowered to 10%), both the capitalisation and distribution shares of the UCITS will, on redemption or in the event of the full or partial distribution of the equity capital or in the event of transfer for a consideration, fall within the scope of Article 19bis of the 1992 Income Tax Code. On the basis of that article, tax will be levied on the debt claim returns included in the redemption, transfer or repayment price according to the period in which the investor held the shares.

Article 19bis of the 1992 Income Tax Code applies only to shareholders who are subject to Belgian personal income tax and to common mutual funds.

For investors subject to corporation tax

The withholding tax is not the final tax on this income. The income (dividends and capital gains) will be subject to Belgian corporation tax.

Stock market tax

For non-institutional share classes*:

| | Subscription | Redemption | Switching between sub-funds |
|------------------|--------------|--|---|
| Stock market tax | - | CAP (capitalisation shares): At maturity and on the Early Exercise Date (if applicable): 0% Else: 1.32% (max. 4 000 euros) DIS (distribution shares): 0% | CAP -> CAP/DIS : 1.32% (max. 4 000 EUR) DIS -> CAP/DIS : 0% |

* No stock market tax is applicable to institutional share classes.

Obligatory automatic exchange of information for tax purposes

Under Belgian law, the Bevek is obliged to collect certain information on its investors and to automatically disclose information to the Belgian tax authorities regarding investors with tax obligations in the US or with place of residence for tax purposes outside Belgium. The Belgian tax authorities may only use the information received from the Bevek to pass them on to foreign competent authorities for tax purposes. The disclosed information will, in addition to the details identifying investors, such as their names, addresses and places and dates of birth, include financial details of the investment in the Bevek over a certain reference period.

I. Additional information

Information sources

The prospectus, the key information document, the articles of association, the annual and half-yearly reports and, where relevant, full information on the other sub-funds may be obtained free of charge from the financial services providers before or after subscription to the shares.

The ongoing charges and the portfolio turnover rate for preceding periods can be obtained from the office of the Bevek at Havenlaan 2, B-1080 Brussels, Belgium.

The following documents and information are available at www.kbc.be/kid:

key information document, the prospectus, the most recently published annual and half-yearly reports.

The past performance of each sub-fund is provided in the annual report.

The Board of Directors of the Bevek is responsible for the content of the prospectus and the key information document. To the best of the Board of Directors of the Bevek's knowledge, the information contained in the prospectus and the key information document is true and correct and nothing has been omitted that would alter the import of either the prospectus or the key information document.

In accordance with article 10.3 of the articles of association, and subject to legal requirements, the Board of Directors is empowered to set the investment policy for each sub-fund. The Board of Directors may change the investment policy set out in the prospectus and in the key information document.

Publication of the net asset value

The net asset value is available from the branches of the institutions providing the financial services. Following calculation, it is published on the website of Beama (www.beama.be) and/or on the KBC Asset Management NV website (nav.kbcam.be) and/or on the websites of the institutions providing the financial services.

Contact point where additional information may be obtained if needed

Product and Knowledge Management Department- APC
KBC Asset Management NV
Havenlaan 2
1080 Brussels
Belgium
Tel. KBC Live 078 152 153 (N) – 078 152 154 (F) - 078 353 137 (E) - 078 353 138 (D)

J. Prohibition of offer or sale

This UCITS and the sub-funds of the UCITS may not be publicly offered or sold in countries where they have not been registered with the local authorities.

The UCITS and the sub-funds of the UCITS are not registered nor will they be registered based on the United States Securities Act of 1933, as amended from time to time. It is forbidden to offer, sell, transfer or deliver shares, directly or indirectly, in the United States of America or one of its territories or possessions or any area that is subject to its jurisdiction or to a US person, as defined in the aforementioned Securities Act. The UCITS and the sub-funds of the UCITS are not registered based on the United States Investment Company Act of 1940, as amended from time to time.

K. Competent authority

Financial Services and Markets Authority (FSMA)
Congresstraat 12-14
1000 Brussels

The prospectus will be published after approval by the FSMA. This approval does not involve any assessment of the opportuneness or quality of the offer or of the circumstances of the individual making it.

The official text of the articles of association has been filed with the registry of the Corporate Court.

L. Use of Benchmarks

Benchmarks

The information on certain sub-funds of the Bevek included in this prospectus may refer to the use of benchmarks. In keeping with the individual sub-fund's investment policy, a benchmark is understood to be an index or a combination of different indices that serves as a reference point for measuring the performance and composition of the sub-fund's portfolio.

Unless expressly stated otherwise in the investment policy, the sub-fund referring to a benchmark is actively managed, does not passively track the composition of the benchmark index and may invest in securities not included in that index. More information on how the benchmark is used for managing sub-funds can be found in the information relating to the Bevek's sub-funds included in this prospectus.

Investors should be aware that the performance of the sub-fund may differ from the performance of the benchmark. This difference is measured by means of a tracking error, which indicates the extent of volatility between those performances. The long-term expected tracking error is given in the table below. Investors should be aware that market conditions may cause the actual tracking error to differ from the long-term expected tracking error.

Inclusion in the European Securities and Markets Authority's register

Pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council (the 'Benchmark Regulation'), the Bevek is required to disclose information on the inclusion of the benchmarks' administrator in the register of approved administrators and benchmarks as established by the European Markets and Securities Authority (the 'ESMA Register').

The Bevek will monitor the inclusion in the ESMA Register of entities acting as administrator(s) of benchmarks used by sub-funds of the Bevek, and this by no later than the date on which the obligation for inclusion in this register takes effect for these entities. The Bevek will then amend the prospectus accordingly.

At present, reference is made to the following benchmarks:

| Sub-fund | Expected tracking error | Benchmark | Administrator | Included in ESMA-Register |
|-----------------------------|-------------------------|---|----------------------------|---------------------------|
| Enhanced Intelligence | 2,00% | MSCI All Countries World - Net Return Index | MSCI | No |
| | | JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total Return Index | J.P. Morgan Securities LLC | No |
| | | iBoxx Euro Corporate bonds Total Return Index | Markit Indices Limited | Yes |
| ČSOB Krátkodobých dluhopisů | (*) | JP Morgan GBI Czech Republic 1-3Y CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan Euro Cash 3M CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |

(*) The sub-fund does not define an expected tracking error. More information can be found in the information regarding this sub-fund as included in this prospectus.

| | | | | |
|--------------|-------|---|----------------------------|----|
| ČSOB Odvážný | 2,00% | JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan EMBI CZK | J.P. Morgan Securities | No |

| | | | | |
|--------------------|-------|---|----------------------------|-----|
| | | Hedged - Total Return Index | LLC | |
| | | JP Morgan GBI EM Global Diversified CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| | | iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index | Markit Indices Limited | Yes |
| | | MSCI All Countries World CZK Hedged - Net Return Index | MSCI | No |
| ČSOB Opatrný | 1,50% | JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan EMBI CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan GBI EM Global Diversified CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| | | iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index | Markit Indices Limited | Yes |
| | | MSCI All Countries World CZK Hedged - Net Return Index | MSCI | No |
| ČSOB Velmi odvážný | 4,00% | MSCI All Countries World CZK Hedged - Net Return Index | MSCI | No |
| | | JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| | | iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index | Markit Indices Limited | Yes |
| | | JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan EMBI CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan GBI EM Global Diversified CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| ČSOB Velmi opatrný | 1,50% | JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index | J.P. Morgan Securities LLC | No |

| | | | | |
|--|--|---|----------------------------|-----|
| | | JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan EMBI CZK Hedged - Total Return Index | J.P. Morgan Securities LLC | No |
| | | JP Morgan GBI EM Global Diversified CZK - Total Return Index | J.P. Morgan Securities LLC | No |
| | | iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index | Markit Indices Limited | Yes |
| | | MSCI All Countries World CZK Hedged - Net Return Index | MSCI | No |

| Sub-fund | Benchmark | Administrator | Included in ESMA-Register |
|---------------------------|--|--------------------------|---------------------------|
| K&H fix+ egészség | STOXX EUROPE 600 HEALTH CARE | STOXX Limited | Yes |
| K&H fix+ élelmiszeripari | STOXX EUROPE 600 FOOD & BEVERAGE INDEX | STOXX Limited | Yes |
| ČSOB Airbag Jumper EUR 12 | DAX PRICE INDEX | Frankfurt Stock Exchange | Yes |
| ČSOB Airbag Jumper EUR 13 | EURO STOXX 50 INDEX | STOXX Limited | Yes |
| ČSOB Airbag Jumper EUR 15 | STOXX EUROPE 600 TELECOMMUNICATIONS | STOXX Limited | Yes |

Contingency plan

The Management Company of the Bevek has drafted a contingency plan on the actions to be taken in case a benchmark used by one or more of the UCI's sub-funds materially changes or ceases to be provided.

Examples of situations in which a benchmark materially changes are, but not limited to:

- The benchmark or its administrator is delisted from ESMA's register;
- The geographical, economical or sectorial scope of the benchmark significantly changes; and
- A new benchmark becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as of greater benefit to the fund's investors.

Examples of situations where a benchmark ceases to be provided are, but not limited to:

- The benchmark ceases to exist;
- The benchmark administrator withdraws the license to use the benchmark; and
- A new benchmark supersedes the existing benchmark.

In case a benchmark used by one or more sub-funds of the UCITS, materially changes or ceases to be provided, a suitable replacing benchmark will be sought after.

Consideration which will be taken into account in the course of selecting a replacement benchmark are, but not limited to:

- The geographical, economical or sectorial scope of the new benchmark is in line with the existing benchmark;;
- Preference will be given to benchmarks that are regarded as the market standard for investors in the particular market; and
- Preference will be given to administrators with an existing license with KBC AM, should this result in lower costs.

If no replacement benchmark can be found, an alternative solution can be used such as amending the sub-fund's investment policy or proposing the fund's liquidation.

The principles stated above and in the contingency plan are without prejudice to the provisions stipulated in the Information concerning the sub-funds.

Information concerning the sub-fund Enhanced Intelligence

1. Basic details

Name

Enhanced Intelligence

Date of incorporation

20 October 2020

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects and with the exception of the management of the part of the assets which is directly invested in shares, has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.
The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

The sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments (the 'stock component'), bonds and/or bond-related investments (the 'bond component'), money market instruments, cash and cash equivalents, and/or alternative investments (including real estate and financial instruments that are linked to price movements on the commodity market).

The target allocation for the asset classes is 55% for the stock component and 45% for the bond component. Deviation from this target allocation is possible on the basis of various mathematical models. The portfolio allocation is generally a balanced mix between shares and bonds.

These models use market and economic data to generate expectations or forecasts regarding the performance of financial markets and asset classes. This data is carefully selected by experts at KBC Asset Management NV. Market data may include price trends, valuations (such as price-earnings ratio, dividend yield) or the volatility of benchmark indices in the different asset classes. Economic data may include gross domestic product, consumer confidence indicators or inflation in the G20 economies, or data from central banks.

KBC Asset Management NV first decides which asset classes, regions, sectors and themes are eligible for investment. The models then apply a variety of artificial intelligence techniques (including machine learning) to the generated expectations or forecasts to help determine on a daily basis the population or diversification of the equity component and bond component across the eligible regions, sectors and themes.

In addition to the market and economic data, use is also made of sentiment data to determine the content and the spread of the stock component. Sentiment data may include the sentiment expressed in news articles or on social media, the quantity of publications about a particular company, how often publications about a particular company are read and how often people search for the company.

The influence of artificial intelligence is more limited for populating the bond component than for the stock component or for determining the allocation between asset classes.

The term 'artificial intelligence' refers to systems designed by humans which, given a complex objective, operate in the physical or digital world by observing their environment, interpreting the collected structured or unstructured data, considering the knowledge derived from this data and deciding on the best action(s) (in accordance with predefined parameters) to achieve the given objective.

Machine learning is an artificial intelligence application in which computer systems use algorithms and statistical models to learn to carry out specific tasks without needing explicit instructions and to solve problems which cannot be precisely formulated, and for which a logical reasoning ability is required.

However, the fund manager may decide at any time not to follow the models or to follow them only partially. Human intervention is more likely in exceptional circumstances.

It is possible for the sub-fund to invest in asset classes that are not included in the target allocation.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The fund is actively managed with reference to the following benchmark: 55% MSCI All Countries World - Net Return Index, 22.5% JP Morgan EMU Government Bonds Investment Grade ALL Maturities - Total Return Index, 22.5% iBoxx Euro Corporate bonds Total Return Index.

However, it is not the aim of the fund to replicate the benchmark. The composition of the benchmark is taken into account when compiling the portfolio.

The composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

The benchmark is also used to determine the fund's risk limitation mechanism. This limits the extent to which the fund's return may deviate from the benchmark.

The longterm expected tracking error for this fund is 2.00%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2017(7), J.P. Morgan Chase & Co. All rights reserved.

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

Source: MSCI. No MSCI Party nor any other party involved in or related to compiling, computing or creating the MSCI data, makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates, or any third party involved in compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or
- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

Investments in assets other than securities or money market instruments

The sub-fund can invest primarily in permitted assets other than securities or money market instruments.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the equity component. |
| Credit risk | The risk that an issuer or a counterparty will default | moderate | the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall. |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | moderate | since there are investments in securities that are denominated in currencies other than the Euro, there is a real chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the equity component. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | moderate | the bond component does not provide any protection against an increase in inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 6 am CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

Enhanced Intelligence

There is a minimum subscription value of 10000 EUR (both during as well as after the initial subscription period).

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6316179249 | 20 October 2020 through 30 November 2020 before 6 am CET Settlement for value: 3 December 2020 | 1 December 2020 | 1 000 EUR |
| DIS (Distribution shares) | EUR | BE6316180254 | 20 October 2020 through 30 November 2020 before 6 am CET Settlement for value: 3 December 2020 | 1 December 2020 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 1.44% | <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 1.44% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund Exclusive Step In World 1

1. Basic details

Name

Exclusive Step In World 1

Date of incorporation

1 July 2019

Life

Limited to 30 June 2025

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 97% of the initial subscription price of 1 000 EUR at Maturity, i.e. 970 EUR using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 97% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 97% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 97% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 3% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 97% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value $(= (\text{End Value} - \text{Starting Value}) / \text{Starting Value})$ will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 20% (yield to maturity of 3.11% before taxes and charges). If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 3% (yield to maturity of -0.52% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Monday 30 June 2025 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 22 July 2019 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from June 2024 through May 2025 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|----------------|-----------------|--------------------------------|
| 1 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 8.0000% |
| 3 | AUST AND NZ BANKING GROUP (AT) | ANZ AT Equity | SYDNEY - XASX | 2.0000% |
| 4 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 5 | BCE INC | BCE CT Equity | TORONTO - XTSE | 7.0000% |
| 6 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | CANON INC | 7751 JT Equity | TOKYO - XTKS | 2.0000% |
| 8 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 3.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 9 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 8.0000% |
| 10 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 4.0000% |
| 11 | ENERGIAS DE PORTUGAL SA | EDP PL Equity | LISBON - XLIS | 3.0000% |
| 12 | ENGIE | ENGI FP Equity | PARIS - XPAR | 2.0000% |
| 13 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 14 | LEGAL & GENERAL GROUP PLC | LGEM LN Equity | LONDON - XLON | 2.0000% |
| 15 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 16 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 5.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 3.0000% |
| 18 | PPL CORP | PPL UN Equity | NEW YORK - XNYS | 2.0000% |
| 19 | RED ELECTRICA CORPORACION SA | REE SQ Equity | MADRID - XMAD | 2.0000% |
| 20 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 21 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 22 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 3.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 24 | SYDNEY AIRPORT | SYD AT Equity | SYDNEY - XASX | 3.0000% |
| 25 | TELEFONICA SA (SQ) | TEF SQ Equity | MADRID - XMAD | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 3.0000% |
| 27 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 28 | WESFARMERS LIMITED (AT) | WES AT Equity | SYDNEY - XASX | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund Exclusive Step In World 1, about 3062 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund Exclusive Step In World 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

Exclusive Step In World 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6314415066 | 1 July 2019 through 15 July 2019 before 6 am CET Settlement for value: 22 July 2019 | 16 August 2019 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|---|--|
| Trading fee | During the initial subscription period: 1.25% After the initial subscription period: 1.25% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders <= 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 97% of the initial subscription price of 1 000 EUR per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund Exclusive Step In World 2

1. Basic details

Name

Exclusive Step In World 2

Date of incorporation

15 July 2019

Life

Limited to 31 July 2025

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 97% of the initial subscription price of 1 000 EUR at Maturity, i.e. 970 EUR using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 97% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 97% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 97% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 3% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 97% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 20% (yield to maturity of 3.09% before taxes and charges). If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 3% (yield to maturity of -0.51% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 31 July 2025 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 5 August 2019 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from July 2024 through June 2025 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|----------------|-----------------|--------------------------------|
| 1 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 3.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 8.0000% |
| 3 | AUST AND NZ BANKING GROUP (AT) | ANZ AT Equity | SYDNEY - XASX | 2.0000% |
| 4 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 5 | CANON INC | 7751 JT Equity | TOKYO - XTKS | 2.0000% |
| 6 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 2.0000% |
| 7 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 8 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 8.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 9 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 2.0000% |
| 10 | ENI SPA | ENI IM Equity | MILANO - MTAA | 2.0000% |
| 11 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 12 | MIZUHO FIN GROUP | 8411 JT Equity | TOKYO - XTKS | 4.0000% |
| 13 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 14 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 5.0000% |
| 15 | ORANGE | ORA FP Equity | PARIS - XPAR | 4.0000% |
| 16 | PEMBINA PIPELINE CORP | PPL CT Equity | TORONTO - XTSE | 2.0000% |
| 17 | PPL CORP | PPL UN Equity | NEW YORK - XNYS | 2.0000% |
| 18 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 19 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 3.0000% |
| 20 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 2.0000% |
| 21 | SSE PLC | SSE LN Equity | LONDON - XLON | 2.0000% |
| 22 | SVENSKA HANDELSBANKEN-A SHS | SHBA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 23 | SWISSCOM AG-REG | SCMN SE Equity | ZURICH - XVTX | 8.0000% |
| 24 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 25 | TELEFONICA SA (SQ) | TEF SQ Equity | MADRID - XMAD | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 27 | TELUS CORP (CT) | T CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 3.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund Exclusive Step In World 2, about 2819 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund Exclusive Step In World 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

Exclusive Step In World 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6314827302 | 15 July 2019 through 29 July 2019 before 6 am CET Settlement for value: 5 August 2019 | 30 August 2019 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|---|--|
| Trading fee | During the initial subscription period: 1.25% After the initial subscription period: 1.25% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders <= 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 97% of the initial subscription price of 1 000 EUR per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund K&H fix egészség 1

1. Basic details

Name

K&H fix egészség 1

Date of incorporation

24 October 2023

Life

Limited to 30 November 2028

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10000 HUF at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of companies operating in the pharmaceutical and healthcare industries.

At Maturity, a capital gain will be distributed that will equal the best of two alternatives:

- on the one hand 18.00%, settled at 100% of the initial subscription price;
- on the other hand 100% of the increase in the basket of 30 shares, settled at 100% of the initial subscription price, where the maximum capital gain will be 120%. The evolution of the basket is calculated as follows: [end value of the basket minus the starting value of the basket], divided by the starting value of the basket. Decreases in the basket are not taken into account.

Consequently, the capital gain at the Maturity Date will be at least 18.00% (yield to maturity: 3.40% before fees and taxes) and maximum 120% (yield to maturity: 12.62% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 30 November 2028 (payment with a value date of D+1 banking day)

Currency

HUF, for all shares in the basket, changes in the value of the currency in which they are expressed relative to HUF are irrelevant. The investor pays the subscription amount in HUF and will be paid in HUF at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Thursday 21 December 2023 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from November 2027 through October 2028 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------------|-----------------|-------------------|--------------------------------|
| 1 | ABBVIE INC | ABBV UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | AEGON NV | AGN NA Equity | AMSTERDAM - XAMS | 5.0000% |
| 3 | AMGEN (UW) | AMGN UW Equity | NEW YORK - XNGS | 2.0000% |
| 4 | ASTELLAS PHARMA INC | 4503 JT Equity | TOKYO - XTKS | 2.0000% |
| 5 | BRISTOL-MYERS SQUIBB CO | BMJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 6 | DAI ICHI LIFE HOLDINGS INC | 8750 JT Equity | TOKYO - XTKS | 3.0000% |
| 7 | EUROFINS SCIENTIFIC | ERF FP Equity | PARIS - XPAR | 2.0000% |
| 8 | GILEAD SCIENCES INC (UW) | GILD UW Equity | NEW YORK - XNGS | 2.0000% |
| 9 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 4.0000% |
| 10 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 11 | JAPAN POST HOLDINGS CO LTD | 6178 JT Equity | TOKYO - XTKS | 8.0000% |
| 12 | JOHNSON & JOHNSON | JNJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 13 | MANULIFE FINANCIAL CORP | MFC CT Equity | TORONTO - XTSE | 2.0000% |
| 14 | MEDTRONIC INC | MDT UN Equity | NEW YORK - XNYS | 2.0000% |
| 15 | MERCK & CO. INC. | MRK UN Equity | NEW YORK - XNYS | 2.0000% |
| 16 | NN GROUP NV | NN NA Equity | AMSTERDAM - XAMS | 3.0000% |
| 17 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 8.0000% |
| 18 | NOVO NORDISK A/S-B | NOVOB DC Equity | COPENHAGEN - XCSE | 2.0000% |
| 19 | ONO PHARMACEUTICAL CO LTD | 4528 JT Equity | TOKYO - XTKS | 3.0000% |
| 20 | OTSUKA HOLDINGS CO LTD | 4578 JT Equity | TOKYO - XTKS | 2.0000% |
| 21 | PFIZER INC | PFE UN Equity | NEW YORK - XNYS | 4.0000% |
| 22 | POSTE ITALIANE SPA | PST IM Equity | MILANO - MTAA | 2.0000% |
| 23 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 3.0000% |
| 24 | PRUDENTIAL FINANCIAL INC | PRU UN Equity | NEW YORK - XNYS | 2.0000% |
| 25 | ROCHE HOLDING AG-GENUSSCHEIN | ROG SE Equity | ZURICH - XVTX | 8.0000% |
| 26 | SONIC HEALTHCARE LTD | SHL AT Equity | SYDNEY - XASX | 2.0000% |
| 27 | SUN LIFE FINANCIAL INC | SLF CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 8.0000% |
| 29 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 7.0000% |
| 30 | UCB SA | UCB BB Equity | BRUSSELS - XBRU | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund K&H fix egészség 1, about 201 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund K&H fix egészség 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company operating in the pharmaceutical or healthcare industry, (iii) the Board of Directors of the Beveik has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the pharmaceutical and health care industries. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

K&H fix egészség 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early*)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | HUF | BE6345958241 | 24 October 2023 through 12 December 2023 before 6 am CET Settlement for value: 21 December 2023 | 16 January 2024 | 10 000 HUF |

* The Initial subscription period can be closed earlier if 3 business days have already passed after the beginning of the initial subscription period and at least HUF 200 million of investment units have been subscribed at the initial subscription price.

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 200 HUF | per unit per year, as described below. |
| Administration fee | Max 10 HUF | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 200 HUF per unit per year (with a maximum of 10 HUF per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 189.5 HUF per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 200 HUF per unit per year, as described above.

Information concerning the sub-fund K&H fix egészség 2

1. Basic details

Name

K&H fix egészség 2

Date of incorporation

23 January 2024

Life

Limited to 30 November 2029

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10000 HUF at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of companies operating in the pharmaceutical and healthcare industries.

At Maturity, a capital gain will be distributed that will equal the best of two alternatives:

- on the one hand 10.00%, settled at 100% of the initial subscription price;
- on the other hand 100% of the increase in the basket of 30 shares, settled at 100% of the initial subscription price, where the maximum capital gain will be 100%. The evolution of the basket is calculated as follows: [end value of the basket minus the starting value of the basket], divided by the starting value of the basket. Decreases in the basket are not taken into account.

Consequently, the capital gain at the Maturity Date will be at least 10.00% (yield to maturity: 1.67% before fees and taxes) and maximum 100% (yield to maturity: 12.83% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 30 November 2029 (payment with a value date of D+1 banking day)

Currency

HUF, for all shares in the basket, changes in the value of the currency in which they are expressed relative to HUF are irrelevant. The investor pays the subscription amount in HUF and will be paid in HUF at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Tuesday 5 March 2024 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from November 2028 through October 2029 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------------|-----------------|-------------------|--------------------------------|
| 1 | ABBVIE INC | ABBV UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | AEGON NV | AGN NA Equity | AMSTERDAM - XAMS | 5.0000% |
| 3 | AMGEN (UW) | AMGN UW Equity | NEW YORK - XNGS | 2.0000% |
| 4 | ASTELLAS PHARMA INC | 4503 JT Equity | TOKYO - XTKS | 2.0000% |
| 5 | BRISTOL-MYERS SQUIBB CO | BMJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 6 | DAI ICHI LIFE HOLDINGS INC | 8750 JT Equity | TOKYO - XTKS | 3.0000% |
| 7 | EUROFINS SCIENTIFIC | ERF FP Equity | PARIS - XPAR | 2.0000% |
| 8 | GILEAD SCIENCES INC (UW) | GILD UW Equity | NEW YORK - XNGS | 2.0000% |
| 9 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 4.0000% |
| 10 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 11 | JAPAN POST HOLDINGS CO LTD | 6178 JT Equity | TOKYO - XTKS | 8.0000% |
| 12 | JOHNSON & JOHNSON | JNJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 13 | MANULIFE FINANCIAL CORP | MFC CT Equity | TORONTO - XTSE | 2.0000% |
| 14 | MEDTRONIC INC | MDT UN Equity | NEW YORK - XNYS | 2.0000% |
| 15 | MERCK & CO. INC. | MRK UN Equity | NEW YORK - XNYS | 2.0000% |
| 16 | NN GROUP NV | NN NA Equity | AMSTERDAM - XAMS | 3.0000% |
| 17 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 8.0000% |
| 18 | NOVO NORDISK A/S-B | NOVOB DC Equity | COPENHAGEN - XCSE | 2.0000% |
| 19 | ONO PHARMACEUTICAL CO LTD | 4528 JT Equity | TOKYO - XTKS | 3.0000% |
| 20 | OTSUKA HOLDINGS CO LTD | 4578 JT Equity | TOKYO - XTKS | 2.0000% |
| 21 | PFIZER INC | PFE UN Equity | NEW YORK - XNYS | 4.0000% |
| 22 | POSTE ITALIANE SPA | PST IM Equity | MILANO - MTAA | 2.0000% |
| 23 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 3.0000% |
| 24 | PRUDENTIAL FINANCIAL INC | PRU UN Equity | NEW YORK - XNYS | 2.0000% |
| 25 | ROCHE HOLDING AG-GENUSSCHEIN | ROG SE Equity | ZURICH - XVTX | 8.0000% |
| 26 | SONIC HEALTHCARE LTD | SHL AT Equity | SYDNEY - XASX | 2.0000% |
| 27 | SUN LIFE FINANCIAL INC | SLF CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 8.0000% |
| 29 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 7.0000% |
| 30 | UCB SA | UCB BB Equity | BRUSSELS - XBRU | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund K&H fix egészség 2, about 201 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund K&H fix egészség 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company operating in the pharmaceutical or healthcare industry, (iii) the Board of Directors of the Beveik has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the pharmaceutical and health care industries. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

K&H fix egészség 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early*)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | HUF | BE6347801241 | 23 January 2024 through 23 February 2024 before 6 am CET Settlement for value: 5 March 2024 | 28 March 2024 | 10 000 HUF |

* The Initial subscription period can be closed earlier if 3 business days have already passed after the beginning of the initial subscription period and at least HUF 200 million of investment units have been subscribed at the initial subscription price.

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 200 HUF | per unit per year, as described below. |
| Administration fee | Max 10 HUF | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 200 HUF per unit per year (with a maximum of 10 HUF per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 189.5 HUF per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 200 HUF per unit per year, as described above.

Information concerning the sub-fund K&H fix világcégek euró

1. Basic details

Name

K&H fix világcégek euró

Date of incorporation

24 October 2023

Life

Limited to 30 November 2028

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 EUR at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 World Selection Stocks.

At Maturity, a capital gain will be distributed that will equal the best of two alternatives:

- on the one hand 7.00%, settled at 100% of the initial subscription price;
- on the other hand 100% of the increase in the basket of 30 shares, settled at 100% of the initial subscription price, where the maximum capital gain will be 40%. The evolution of the basket is calculated as follows: [end value of the basket minus the starting value of the basket], divided by the starting value of the basket. Decreases in the basket are not taken into account.

Consequently, the capital gain at the Maturity Date will be at least 7.00% (yield to maturity: 1.37% before fees and taxes) and maximum 40% (yield to maturity: 7.04% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 30 November 2028 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Thursday 21 December 2023 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from November 2027 through October 2028 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 2.0000% |
| 3 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 4 | BASF SE | BAS GY Equity | FRANKFURT - XETR | 2.0000% |
| 5 | COLES GROUPLTD | COL AT Equity | SYDNEY - XASX | 2.0000% |
| 6 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 8 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 9 | HOLCIM LTD | HOLN SE Equity | ZURICH - XSWX | 6.0000% |
| 10 | KONINKLIJKE AHOLD DELHAIZE NV | AD NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 11 | KONINKLIJKE KPN NV | KPN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 12 | KRAFT HEINZ CO/THE | KHC UW Equity | NEW YORK - XNGS | 2.0000% |
| 13 | MIZUHO FIN GROUP | 8411 JT Equity | TOKYO - XTKS | 6.0000% |
| 14 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 15 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 4.0000% |
| 16 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 5.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 4.0000% |
| 18 | PEMBINA PIPELINE CORP | PPL CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 2.0000% |
| 20 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 21 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 22 | SUMITOMO MITSUI FIN GROUP | 8316 JT Equity | TOKYO - XTKS | 6.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 7.0000% |
| 24 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 5.0000% |
| 25 | TC ENERGY CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 6.0000% |
| 27 | TESCO PLC | TSCO LN Equity | LONDON - XLON | 4.0000% |
| 28 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | WPP PLC | WPP LN Equity | LONDON - XLON | 3.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund K&H fix világcégek euró, about 1586 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund K&H fix világcégek euró under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Beveik has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

K&H fix világcégek euró

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early*)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6345959256 | 24 October 2023 through 12 December 2023 before 6 am CET Settlement for value: 21 December 2023 | 16 January 2024 | 10 EUR |

* The Initial subscription period can be closed earlier if 3 business days have already passed after the beginning of the initial subscription period and at least EUR 600 000 of investment units have been subscribed at the initial subscription price.

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 EUR | per unit per year, as described below. |
| Administration fee | Max 0.01 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 EUR per unit per year (with a maximum of 0.01 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 EUR per unit per year, as described above.

Information concerning the sub-fund K&H fix+ egészség

1. Basic details

Name

K&H fix+ egészség

Date of incorporation

26 September 2022

Life

Limited to 27 November 2026

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10000 HUF at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund pursues two investment objectives: the repayment of 100% of the initial subscription price at Maturity as well as providing a capital gain consisting of a variable component and a fixed component:

- The variable component depends on the evolution of the STOXX® Europe 600 Health Care Price Return index and is calculated as follows: If the index has increased compared to its starting value, 100% of the increase in the index $(= (\text{Final Value} - \text{Starting Value}) / \text{Starting Value})$, is settled at 100% of the initial subscription price on the Maturity Date. The variable component amounts to a maximum of 100%. Negative evolutions of the index are not taken into account.
- The fixed component is independent of the evolution of the index and amounts to 29% of the initial subscription price.

At Maturity Date, the sum of the variable and fixed components is distributed as a capital gain on top of the initial subscription price. Consequently, the total capital gain amounts to a maximum of 129% (actuarial yield: 22.61% before costs and taxes).

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

In particular, at launch, the sub-fund takes into account exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems as described in Belgian law.

In addition, for investments in bonds issued by SPVs, the sub-fund will also take into account the KBC Group Investment Policy as well as the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, for investments in bonds issued by SPVs, the sub-fund also considers violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 27 November 2026 (payment with a value date of D+1 banking day)

Currency

HUF, for STOXX EUROPE 600 HEALTH CARE, changes in the value of the currency in which they are expressed relative to HUF are irrelevant. The investor pays the subscription amount in HUF and will be paid in HUF at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the index based on the average of the Value of the index during the first 10 Valuation Days, starting from Tuesday 8 November 2022 inclusive.

End Value

Value of the index based on the average of the Value of the index on the final Valuation Day of the month for the last 12 months before Maturity, more specifically from November 2025 through October 2026 (inclusive).

Value

Closing value of the STOXX® Europe 600 Health Care price return index, to be valued at the time at which the official closing level of the index is published and announced by the relevant authority (index sponsor), i.e. STOXX Limited (or its legal successor).

Valuation day

A Valuation Day is a scheduled trading day, both

- i) for each stock market relating to securities comprising 20% or more of the index and
- ii) for the stock markets whose activity has a significant influence on trading in options and futures relating to securities forming part of the index,

hereinafter referred to as the 'Markets in Question',

and on which the index sponsor calculates and publishes the Price of the index.

If, on the Valuation Day,

- a) one of the Markets in Question remains closed unexpectedly, or
- b) one of the Markets in Question suffers a market-disrupting event, or
- c) one of the Markets in Question closes early,

then the original Valuation Day is replaced by the next trading day when there is no situation as described under (a), (b) or (c). A closing time differing from the customary closing time that is announced in good time, is not considered as an earlier closing time.

When a valuation is done based on consecutive Valuation Days, the replacement trading day may not be (i) another original Valuation Day or (ii) a trading day that already replaces another original Valuation Day.

If, however, a situation such as described under (a), (b) or (c) occurs on each of the eight trading days following the original Valuation Day, then

- (i) the eighth trading day will be considered as the original Valuation Day and
- (ii) the bevek will, in consultation with the prime counterparty (counterparties) with which it has concluded a swap agreement, estimate in good faith the value of the index as that would have been calculated on this eighth trading day and
- (iii) the bevek will inform the shareholders of the changes with respect to determining the Initial Value and/or Value at Maturity and the terms and conditions regarding disbursement.

If changes occur regarding the index (for instance, if it is calculated by another sponsor, or if another method of calculation is used), or if the index sponsor does not succeed in calculating or publishing the index (even though all the information is available) the bevek will, together with the prime counterparty or counterparties with which the swap was concluded, decide how the value of the index will be determined going forward. Where substantial changes occur to the index or the index is no longer calculated, it may be replaced by another index provided that the new index is representative of the same geographical and/or economic sectors.

The STOXX® Europe 600 Health Care price return index is a weighted, in principle non-dividend-protected equity index, calculated by STOXX Limited. The STOXX® Europe 600 Health Care price return Index measures the performance of the European health care sector as defined by the Industry Classification Benchmark (ICB) and is a subset of the STOXX® Europe 600 Index, which comprises 600 of the largest stocks across 18 European countries. The Index rebalances quarterly with components weighted by free float market capitalisation and capped to maintain compliance with UCITS diversification standards. Free float market capitalisation is the market value of a company's readily available outstanding shares.

Further details regarding the Index (including its constituents) are available on the index provider's website at (www.stoxx.com).

Stoxx Limited has all proprietary rights with respect to the Index. In no way Stoxx Limited endorses, sponsors or is otherwise involved in the issue and offering the shares of Optimum Fund K&H fix+ egészség. Stoxx Limited disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The STOXX® Europe 600 Health Care price return Index is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

STOXX and its licensors (the "Licensors") have no relationship to the Licensee, other than the licensing of the STOXX® Europe 600 Health Care price return Index and the related trademarks for use in connection with Optimum Fund K&H fix+ egészség.

STOXX and its Licensors do not:

- Sponsor, endorse, sell or promote the Optimum Fund K&H fix+ egészség;
- Recommend that any person invest in Optimum Fund K&H fix+ egészség or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of Optimum Fund K&H fix+ egészség;
- Have any responsibility or liability for the administration, management or marketing of Optimum Fund K&H fix+ egészség;
- Consider the needs of Optimum Fund K&H fix+ egészség or the owners of the Optimum Fund K&H fix+ egészség in determining, composing or calculating the STOXX® Europe 600 Health Care price return Index or have any obligation to do so.

STOXX and its Licensors will not have any liability in connection with Optimum Fund K&H fix+ egészség. Specifically,

- **STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:**
 - **The results to be obtained by Optimum Fund K&H fix+ egészség, the owner of Optimum Fund K&H fix+ egészség or any other person in connection with the use of the STOXX® Europe 600 Health Care price return Index and the data included in the STOXX® Europe 600 Health Care price return Index.;**
 - **The accuracy or completeness of the STOXX® Europe 600 Health Care price return Index and its data;**
 - **The merchantability and the fitness for a particular purpose or use of the STOXX® Europe 600 Health Care price return Index and its data;**
- **STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the STOXX® Europe 600 Health Care price return Index or its data;**
- **Under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.**

The licensing agreement between the issuer and STOXX is solely for their benefit and not for the benefit of the owners of the Optimum Fund K&H fix+ egészség or any other third parties.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the European health care industry. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

K&H fix+ egészség

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | HUF | BE6337356552 | 26 September 2022 through 31 October 2022 before 6 am CET Settlement for value: 8 November 2022 | 30 November 2022 | 10 000 HUF |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: max. 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 200 HUF | per unit per year, as described below. |
| Administration fee | Max 10 HUF | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 200 HUF per unit per year (with a maximum of 10 HUF per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 189.5 HUF per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 200 HUF per unit per year, as described above.

Information concerning the sub-fund K&H fix+ egészség 2

1. Basic details

Name

K&H fix+ egészség 2

Date of incorporation

17 April 2023

Life

Limited to 30 June 2027

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10000 HUF at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund pursues two investment objectives: the repayment of 100% of the initial subscription price at Maturity as well as providing a capital gain consisting of a variable component and a fixed component:

- The variable component depends on the evolution of a basket of 30 shares of companies operating in the pharmaceutical and healthcare industries and is calculated as follows: If the basket of 30 shares has increased compared to its starting value, 100% of the increase in the basket $(= (\text{Final Value} - \text{Starting Value}) / \text{Starting Value})$, is settled at 100% of the initial subscription price on the Maturity Date. The variable component amounts to a maximum of 100%. Negative evolutions of the basket are not taken into account.
- The fixed component is independent of the evolution of the basket of 30 shares and amounts to 17% of the initial subscription price.

At Maturity Date, the sum of the variable and fixed components is distributed as a capital gain on top of the initial subscription price. Consequently, the total capital gain amounts to a maximum of 117% (actuarial yield: 21.22% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as

described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Wednesday 30 June 2027 (payment with a value date of D+1 banking day)

Currency

HUF, for all shares in the basket, changes in the value of the currency in which they are expressed relative to HUF are irrelevant. The investor pays the subscription amount in HUF and will be paid in HUF at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Thursday 22 June 2023 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from June 2026 through May 2027 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------------|-----------------|-------------------|--------------------------------|
| 1 | ABBVIE INC | ABBV UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | AEGON NV | AGN NA Equity | AMSTERDAM - XAMS | 5.0000% |
| 3 | AMGEN (UW) | AMGN UW Equity | NEW YORK - XNGS | 2.0000% |
| 4 | ASTELLAS PHARMA INC | 4503 JT Equity | TOKYO - XTKS | 2.0000% |
| 5 | BRISTOL-MYERS SQUIBB CO | BMJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 6 | DAI ICHI LIFE HOLDINGS INC | 8750 JT Equity | TOKYO - XTKS | 3.0000% |
| 7 | EUROFINS SCIENTIFIC | ERF FP Equity | PARIS - XPAR | 2.0000% |
| 8 | GILEAD SCIENCES INC (UW) | GILD UW Equity | NEW YORK - XNGS | 2.0000% |
| 9 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 4.0000% |
| 10 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 11 | JAPAN POST HOLDINGS CO LTD | 6178 JT Equity | TOKYO - XTKS | 8.0000% |
| 12 | JOHNSON & JOHNSON | JNJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 13 | MANULIFE FINANCIAL CORP | MFC CT Equity | TORONTO - XTSE | 2.0000% |
| 14 | MEDTRONIC INC | MDT UN Equity | NEW YORK - XNYS | 2.0000% |
| 15 | MERCK & CO. INC. | MRK UN Equity | NEW YORK - XNYS | 2.0000% |
| 16 | NN GROUP NV | NN NA Equity | AMSTERDAM - XAMS | 3.0000% |
| 17 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 8.0000% |
| 18 | NOVO NORDISK A/S-B | NOVOB DC Equity | COPENHAGEN - XCSE | 2.0000% |
| 19 | ONO PHARMACEUTICAL CO LTD | 4528 JT Equity | TOKYO - XTKS | 3.0000% |
| 20 | OTSUKA HOLDINGS CO LTD | 4578 JT Equity | TOKYO - XTKS | 2.0000% |
| 21 | PFIZER INC | PFE UN Equity | NEW YORK - XNYS | 4.0000% |
| 22 | POSTE ITALIANE SPA | PST IM Equity | MILANO - MTA | 2.0000% |
| 23 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 3.0000% |
| 24 | PRUDENTIAL FINANCIAL INC | PRU UN Equity | NEW YORK - XNYS | 2.0000% |
| 25 | ROCHE HOLDING AG-GENUSSCHEIN | ROG SE Equity | ZURICH - XVTX | 8.0000% |
| 26 | SONIC HEALTHCARE LTD | SHL AT Equity | SYDNEY - XASX | 2.0000% |
| 27 | SUN LIFE FINANCIAL INC | SLF CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 8.0000% |
| 29 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 7.0000% |
| 30 | UCB SA | UCB BB Equity | BRUSSELS - XBRU | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund K&H fix+ egészség 2, about 201 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund K&H fix+ egészség 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company operating in the pharmaceutical or healthcare industry, (iii) the Board of Directors of the Beveik has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the pharmaceutical and health care industries. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

K&H fix+ egészség 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | HUF | BE6341875159 | 17 April 2023 through 13 June 2023 before 6 am CET Settlement for value: 22 June 2023 | 14 July 2023 | 10 000 HUF |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------------------|--|
| Fee paid to the independent directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|---|--|--|
| Trading fee | During the initial subscription period: max. 2.50% After the initial subscription period: max. 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: max. 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 200 HUF | per unit per year, as described below. |
| Administration fee | Max 10 HUF | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | - | - |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 200 HUF per unit per year (with a maximum of 10 HUF per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 189.5 HUF per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 200 HUF per unit per year, as described above.

Information concerning the sub-fund K&H fix+ élelmiszeripari

1. Basic details

Name

K&H fix+ élelmiszeripari

Date of incorporation

23 January 2023

Life

Limited to 31 March 2027

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10000 HUF at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund pursues two investment objectives: the repayment of 100% of the initial subscription price at Maturity as well as providing a capital gain consisting of a variable component and a fixed component:

- The variable component depends on the evolution of the STOXX® Europe 600 Food & Beverage Price-return index and is calculated as follows: If the index has increased compared to its starting value, 100% of the increase in the index $(= (\text{Final Value} - \text{Starting Value}) / \text{Starting Value})$, is settled at 100% of the initial subscription price on the Maturity Date. The variable component amounts to a maximum of 120%. Negative evolutions of the index are not taken into account.
- The fixed component is independent of the evolution of the index and amounts to 17% of the initial subscription price.

At Maturity Date, the sum of the variable and fixed components is distributed as a capital gain on top of the initial subscription price. Consequently, the total capital gain amounts to a maximum of 137% (actuarial yield: 23.54% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

In particular, at launch, the sub-fund takes into account exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems as described in Belgian law.

In addition, for investments in bonds issued by SPVs, the sub-fund will also take into account the KBC Group Investment Policy as well as the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, for investments in bonds issued by SPVs, the sub-fund also considers violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Wednesday 31 March 2027 (payment with a value date of D+1 banking day)

Currency

HUF, for STOXX® Europe 600 Food & Beverage Price-return index, changes in the value of the currency in which they are expressed relative to HUF are irrelevant. The investor pays the subscription amount in HUF and will be paid in HUF at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the index based on the average of the Value of the index during the first 10 Valuation Days, starting from Thursday 2 March 2023 inclusive.

End Value

Value of the index based on the average of the Value of the index on the final Valuation Day of the month for the last 12 months before Maturity, more specifically from March 2026 through February 2027 (inclusive).

Value

Closing value of the STOXX® Europe 600 Food & Beverage Price-return index, to be valued at the time at which the official closing level of the index is published and announced by the relevant authority (index sponsor), i.e. STOXX Limited (or its legal successor).

Valuation day

A Valuation Day is a scheduled trading day, both

- i) for each stock market relating to securities comprising 20% or more of the index and
- ii) for the stock markets whose activity has a significant influence on trading in options and futures relating to securities forming part of the index,

hereinafter referred to as the 'Markets in Question',

and on which the index sponsor calculates and publishes the Price of the index.

If, on the Valuation Day,

- a) one of the Markets in Question remains closed unexpectedly, or
- b) one of the Markets in Question suffers a market-disrupting event, or
- c) one of the Markets in Question closes early,

then the original Valuation Day is replaced by the next trading day when there is no situation as described under (a), (b) or (c). A closing time differing from the customary closing time that is announced in good time, is not considered as an earlier closing time.

When a valuation is done based on consecutive Valuation Days, the replacement trading day may not be (i) another original Valuation Day or (ii) a trading day that already replaces another original Valuation Day.

If, however, a situation such as described under (a), (b) or (c) occurs on each of the eight trading days following the original Valuation Day, then

- (i) the eighth trading day will be considered as the original Valuation Day and
- (ii) the bevek will, in consultation with the prime counterparty (counterparties) with which it has concluded a swap agreement, estimate in good faith the value of the index as that would have been calculated on this eighth trading day and
- (iii) the bevek will inform the shareholders of the changes with respect to determining the Initial Value and/or Value at Maturity and the terms and conditions regarding disbursement.

If changes occur regarding the index (for instance, if it is calculated by another sponsor, or if another method of calculation is used), or if the index sponsor does not succeed in calculating or publishing the index (even though all the information is available) the bevek will, together with the prime counterparty or counterparties with which the swap was concluded, decide how the value of the index will be determined going forward. Where substantial changes occur to the index or the index is no longer calculated, it may be replaced by another index provided that the new index is representative of the same geographical and/or economic sectors.

The STOXX® Europe 600 Food & Beverage Price-return index is a weighted, in principle non-dividend-protected equity index, calculated by STOXX Limited. The STOXX® Europe 600 Food & Beverage Price-return index measures the performance of the European food and beverage sector as defined by the Industry Classification Benchmark (ICB) and is a subset of the STOXX® Europe 600 Index, which comprises 600 of the largest stocks across 18 European countries. The Index rebalances quarterly with components weighted by free float market capitalisation and capped to maintain compliance with UCITS diversification standards. Free float market capitalisation is the market value of a company's readily available outstanding shares.

Further details regarding the Index (including its constituents) are available on the index provider's website at (www.stoxx.com).

The ISIN code of the index is EU0009658749. The Bloomberg code of the index is BBG000P5WMN1.

Stoxx Limited has all proprietary rights with respect to the Index. In no way Stoxx Limited endorses, sponsors or is otherwise involved in the issue and offering the shares of Optimum Fund K&H fix+ élelmiszeripari. Stoxx Limited disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The STOXX® Europe 600 Food & Beverage Price-return index is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

STOXX and its licensors (the "Licensors") have no relationship to the Licensee, other than the licensing of the STOXX® Europe 600 Food & Beverage Price-return index and the related trademarks for use in connection with Optimum Fund K&H fix+ élelmiszeripari.

STOXX and its Licensors do not:

- Sponsor, endorse, sell or promote the Optimum Fund K&H fix+ élelmiszeripari;
- Recommend that any person invest in Optimum Fund K&H fix+ élelmiszeripari or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of Optimum Fund K&H fix+ élelmiszeripari;
- Have any responsibility or liability for the administration, management or marketing of Optimum Fund K&H fix+ élelmiszeripari;
- Consider the needs of Optimum Fund K&H fix+ élelmiszeripari or the owners of the Optimum Fund K&H fix + élelmiszeripari in determining, composing or calculating the STOXX® Europe 600 Food & Beverage Price-return index or have any obligation to do so.

STOXX and its Licensors will not have any liability in connection with Optimum Fund K&H fix+ élelmiszeripari.

Specifically,

- **STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:**
 - **The results to be obtained by Optimum Fund K&H fix+ élelmiszeripari, the owner of Optimum Fund K&H fix+ élelmiszeripari or any other person in connection with the use of the STOXX® Europe 600 Food & Beverage Price-return index and the data included in the STOXX® Europe 600 Food & Beverage Price-return index;**
 - **The accuracy or completeness of the STOXX® Europe 600 Food & Beverage Price-return index and its data;**
 - **The merchantability and the fitness for a particular purpose or use of the STOXX® Europe 600 Food & Beverage Price-return index and its data;**
- **STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the STOXX® Europe 600 Food & Beverage Price-return index or its data;**
- **Under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.**

The licensing agreement between the issuer and STOXX is solely for their benefit and not for the benefit of the owners of the Optimum Fund K&H fix+ élelmiszeripari or any other third parties.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the food and beverage industry. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

K&H fix+ élelmiszeripari

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | HUF | BE6339511766 | 23 January 2023 through 21 February 2023 before 6 am CET Settlement for value: 2 March 2023 | 31 March 2023 | 10 000 HUF |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|---|--|
| Trading fee | During the initial subscription period: max. 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders <= 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 200 HUF | per unit per year, as described below. |
| Administration fee | Max 10 HUF | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 200 HUF per unit per year (with a maximum of 10 HUF per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 189.5 HUF per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 200 HUF per unit per year, as described above.

Information concerning the sub-fund

Step In World 1

1. Basic details

Name

Step In World 1

Date of incorporation

16 September 2019

Life

Limited to 29 September 2025

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 95% of the initial subscription price of 1 000 EUR at Maturity, i.e. 950 EUR using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 95% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 95% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 95% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 5% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 95% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 20% (yield to maturity of 3.09% before taxes and charges). If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 5% (yield to maturity of -0.86% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Monday 29 September 2025 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 7 October 2019 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from September 2024 through August 2025 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|----------------|-----------------|--------------------------------|
| 1 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 8.0000% |
| 3 | AUST AND NZ BANKING GROUP (AT) | ANZ AT Equity | SYDNEY - XASX | 2.0000% |
| 4 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 5 | BCE INC | BCE CT Equity | TORONTO - XTSE | 6.0000% |
| 6 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | CANON INC | 7751 JT Equity | TOKYO - XTKS | 2.0000% |
| 8 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 3.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 9 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 8.0000% |
| 10 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 3.0000% |
| 11 | ENERGIAS DE PORTUGAL SA | EDP PL Equity | LISBON - XLIS | 2.0000% |
| 12 | ENGIE | ENGI FP Equity | PARIS - XPAR | 2.0000% |
| 13 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 14 | LEGAL & GENERAL GROUP PLC | LGEN LN Equity | LONDON - XLON | 2.0000% |
| 15 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 3.0000% |
| 16 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 2.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 8.0000% |
| 18 | PPL CORP | PPL UN Equity | NEW YORK - XNYS | 2.0000% |
| 19 | RED ELECTRICA CORPORACION SA | REE SQ Equity | MADRID - XMAD | 5.0000% |
| 20 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 21 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 22 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 2.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 4.0000% |
| 24 | SYDNEY AIRPORT | SYD AT Equity | SYDNEY - XASX | 2.0000% |
| 25 | TELEFONICA SA (SQ) | TEF SQ Equity | MADRID - XMAD | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 4.0000% |
| 27 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 28 | WESFARMERS LIMITED (AT) | WES AT Equity | SYDNEY - XASX | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 4.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund Step In World 1, about 2780 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund Step In World 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

Step In World 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6315792257 | 16 September 2019 through 30 September 2019 before 6 am CET Settlement for value: 7 October 2019 | 31 October 2019 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 1.25% After the initial subscription period: 1.25% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 95% of the initial subscription price of 1 000 EUR per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund

Step In World 2

1. Basic details

Name

Step In World 2

Date of incorporation

30 September 2019

Life

Limited to 30 October 2025

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 95% of the initial subscription price of 1 000 EUR at Maturity, i.e. 950 EUR using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 95% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 95% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 95% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 5% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 95% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 20% (yield to maturity of 3.10% before taxes and charges). If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 5% (yield to maturity of -0.86% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 30 October 2025 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Tuesday 12 November 2019 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from October 2024 through September 2025 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|----------------|-----------------|--------------------------------|
| 1 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 8.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 7.0000% |
| 3 | AUST AND NZ BANKING GROUP (AT) | ANZ AT Equity | SYDNEY - XASX | 2.0000% |
| 4 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 5 | BCE INC | BCE CT Equity | TORONTO - XTSE | 4.0000% |
| 6 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | CANON INC | 7751 JT Equity | TOKYO - XTKS | 2.0000% |
| 8 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 3.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 9 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 8.0000% |
| 10 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 2.0000% |
| 11 | ENERGIAS DE PORTUGAL SA | EDP PL Equity | LISBON - XLIS | 2.0000% |
| 12 | ENGIE | ENGI FP Equity | PARIS - XPAR | 2.0000% |
| 13 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 14 | LEGAL & GENERAL GROUP PLC | LGEM LN Equity | LONDON - XLON | 2.0000% |
| 15 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 16 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 4.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 8.0000% |
| 18 | PPL CORP | PPL UN Equity | NEW YORK - XNYS | 2.0000% |
| 19 | RED ELECTRICA CORPORACION SA | REE SQ Equity | MADRID - XMAD | 3.0000% |
| 20 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 21 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 22 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 2.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 4.0000% |
| 24 | SYDNEY AIRPORT | SYD AT Equity | SYDNEY - XASX | 2.0000% |
| 25 | TELEFONICA SA (SQ) | TEF SQ Equity | MADRID - XMAD | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 4.0000% |
| 27 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 28 | WESFARMERS LIMITED (AT) | WES AT Equity | SYDNEY - XASX | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 3.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund Step In World 2, about 2701 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund Step In World 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

Step In World 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6316202470 | 30 September 2019 through 4 November 2019 before 6 am CET Settlement for value: 12 November 2019 | 29 November 2019 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 1.25% After the initial subscription period: 1.25% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 95% of the initial subscription price of 1 000 EUR per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund

Step In World 4

1. Basic details

Name

Step In World 4

Date of incorporation

12 November 2019

Life

Limited to 28 November 2025

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 95% of the initial subscription price of 1 000 EUR at Maturity, i.e. 950 EUR using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 95% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 95% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 95% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 5% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 95% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value $(= (\text{End Value} - \text{Starting Value}) / \text{Starting Value})$ will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 20% (yield to maturity of 3.11% before taxes and charges). If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 5% (yield to maturity of -0.86% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 28 November 2025 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 16 December 2019 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from November 2024 through October 2025 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|----------------|------------------|--------------------------------|
| 1 | AENA SME SA | AENA SQ Equity | MADRID - XMA | 8.0000% |
| 2 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 2.0000% |
| 3 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 4.0000% |
| 4 | AUST AND NZ BANKING GROUP (AT) | ANZ AT Equity | SYDNEY - XASX | 2.0000% |
| 5 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 6 | CANON INC | 7751 JT Equity | TOKYO - XTKS | 2.0000% |
| 7 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 5.0000% |
| 8 | DEUTSCHE TELEKOM AG-REG | DTE GY Equity | FRANKFURT - XETR | 2.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-------------------------------|------------------|------------------|--------------------------------|
| 9 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 10 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 5.0000% |
| 11 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 2.0000% |
| 12 | ENERGIAS DE PORTUGAL SA | EDP PL Equity | LISBON - XLIS | 2.0000% |
| 13 | ENI SPA | ENI IM Equity | MILANO - MTAA | 2.0000% |
| 14 | FORTUM OYJ | FORTUM FH Equity | HELSINKI - XHEL | 2.0000% |
| 15 | IBERDROLA SA (SQ) | IBE SQ Equity | MADRID - XMAD | 2.0000% |
| 16 | mitsubishi UFJ FIN GROUP | 8306 JT Equity | TOKYO - XTKS | 2.0000% |
| 17 | MS&AD INSURANCE GROUP HOLDING | 8725 JT Equity | TOKYO - XTKS | 5.0000% |
| 18 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 8.0000% |
| 19 | NTT DOCOMO INC | 9437 JT Equity | TOKYO - XTKS | 2.0000% |
| 20 | ORANGE | ORA FP Equity | PARIS - XPAR | 3.0000% |
| 21 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 3.0000% |
| 22 | SWISSCOM AG-REG | SCMN SE Equity | ZURICH - XVTX | 4.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 24 | TELEFONICA SA (SQ) | TEF SQ Equity | MADRID - XMAD | 2.0000% |
| 25 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 3.0000% |
| 26 | TELUS CORP (CT) | T CT Equity | TORONTO - XTSE | 2.0000% |
| 27 | TERNA SPA | TRN IM Equity | MILANO - MTAA | 2.0000% |
| 28 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 29 | VENTAS INC | VTR UN Equity | NEW YORK - XNYS | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund Step In World 4, about 2754 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund Step In World 4 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

Step In World 4

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6316995644 | 12 November 2019 through 2 December 2019 before 6 am CET Settlement for value: 16 December 2019 | 16 January 2020 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 1.25% After the initial subscription period: 1.25% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 95% of the initial subscription price of 1 000 EUR per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund

World Fix 100-1

1. Basic details

Name

World Fix 100-1

Date of incorporation

27 February 2023

Life

Limited to 28 April 2028

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 1000 EUR at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund pursues two investment objectives: the repayment of 100% of the initial subscription price at Maturity as well as providing a capital gain consisting of a variable component and a fixed component:

- The variable component depends on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation and is calculated as follows: If the basket of 30 shares has increased compared to its starting value, 100% of the increase in the basket $(= (\text{Final Value} - \text{Starting Value}) / \text{Starting Value})$, is settled at 100% of the initial subscription price on the Maturity Date. The variable component amounts to a maximum of 40%. Negative evolutions of the basket are not taken into account.
- The fixed component is independent of the evolution of the basket of 30 shares and amounts to 5% of the initial subscription price.

At Maturity Date, the sum of the variable and fixed components is distributed as a capital gain on top of the initial subscription price. Consequently, the total capital gain amounts to a maximum of 45% (actuarial yield: 7.67% before costs and taxes).

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 28 April 2028 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Friday 21 April 2023 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from April 2027 through March 2028 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 2.0000% |
| 3 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 4 | BASF SE | BAS GY Equity | FRANKFURT - XETR | 2.0000% |
| 5 | COLES GROUPLTD | COL AT Equity | SYDNEY - XASX | 2.0000% |
| 6 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 8 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 9 | HOLCIM LTD | HOLN SE Equity | ZURICH - XSWX | 6.0000% |
| 10 | KONINKLIJKE AHOLD DELHAIZE NV | AD NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 11 | KONINKLIJKE KPN NV | KPN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 12 | KRAFT HEINZ CO/THE | KHC UW Equity | NEW YORK - XNGS | 2.0000% |
| 13 | MIZUHO FIN GROUP | 8411 JT Equity | TOKYO - XTKS | 6.0000% |
| 14 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 15 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 4.0000% |
| 16 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 5.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 4.0000% |
| 18 | PEMBINA PIPELINE CORP | PPL CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 2.0000% |
| 20 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 21 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 22 | SUMITOMO MITSUI FIN GROUP | 8316 JT Equity | TOKYO - XTKS | 6.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 7.0000% |
| 24 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 5.0000% |
| 25 | TC ENERGY CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 6.0000% |
| 27 | TESCO PLC | TSCO LN Equity | LONDON - XLON | 4.0000% |
| 28 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | WPP PLC | WPP LN Equity | LONDON - XLON | 3.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund World Fix 100-1, about 1586 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund World Fix 100-1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Beveke has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

World Fix 100-1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6340030137 | 27 February 2023 through 14 April 2023 before 6 am CET Settlement for value: 21 April 2023 | 16 May 2023 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund

World Fix 100-2

1. Basic details

Name

World Fix 100-2

Date of incorporation

1 August 2023

Life

Limited to 31 October 2028

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 1000 EUR at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 World Selection Stocks.

At Maturity, a capital gain will be distributed that will equal the best of two alternatives:

- on the one hand 9%, settled at 100% of the initial subscription price;
- on the other hand 100% of the increase in the basket of 30 shares, settled at 100% of the initial subscription price, where the maximum capital gain will be 40%. The evolution of the basket is calculated as $((\text{Ending Value} - \text{Starting Value}) / \text{Starting Value})$. Decreases in the basket are not taken into account.

Consequently, the capital gain at the Maturity Date will be at least 9% (actuarial yield: 1.69% before fees and taxes) and maximum 40% (actuarial return: 6.79% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Tuesday 31 October 2028 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 18 September 2023 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from October 2027 through September 2028 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 2.0000% |
| 3 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 4 | BASF SE | BAS GY Equity | FRANKFURT - XETR | 2.0000% |
| 5 | COLES GROUPLTD | COL AT Equity | SYDNEY - XASX | 2.0000% |
| 6 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 8 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 9 | HOLCIM LTD | HOLN SE Equity | ZURICH - XSWX | 6.0000% |
| 10 | KONINKLIJKE AHOLD DELHAIZE NV | AD NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 11 | KONINKLIJKE KPN NV | KPN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 12 | KRAFT HEINZ CO/THE | KHC UW Equity | NEW YORK - XNGS | 2.0000% |
| 13 | MIZUHO FIN GROUP | 8411 JT Equity | TOKYO - XTKS | 6.0000% |
| 14 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 15 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 4.0000% |
| 16 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 5.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 4.0000% |
| 18 | PEMBINA PIPELINE CORP | PPL CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 2.0000% |
| 20 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 21 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 22 | SUMITOMO MITSUI FIN GROUP | 8316 JT Equity | TOKYO - XTKS | 6.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 7.0000% |
| 24 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 5.0000% |
| 25 | TC ENERGY CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 6.0000% |
| 27 | TESCO PLC | TSCO LN Equity | LONDON - XLON | 4.0000% |
| 28 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | WPP PLC | WPP LN Equity | LONDON - XLON | 3.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund World Fix 100-2, about 1586 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund World Fix 100-2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Beveik has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

World Fix 100-2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6343954572 | 1 August 2023 through 11 September 2023 before 6 am CET Settlement for value: 18 September 2023 | 16 October 2023 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund

World Fix 100-3

1. Basic details

Name

World Fix 100-3

Date of incorporation

6 November 2023

Life

Limited to 28 February 2029

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 1000 EUR at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 world selection stocks.

At Maturity, a capital gain will be distributed that will equal the best of two alternatives:

- on the one hand 8.00%, settled at 100% of the initial subscription price;
- on the other hand 100% of the increase in the basket of 30 shares, settled at 100% of the initial subscription price, where the maximum capital gain will be 60%. The evolution of the basket is calculated as follows: [end value of the basket minus the starting value of the basket], divided by the starting value of the basket. Decreases in the basket are not taken into account.

Consequently, the capital gain at the Maturity Date will be at least 8.00% (yield to maturity: 1.49% before fees and taxes) and maximum 60% (yield to maturity: 9.51% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Wednesday 28 February 2029 (payment with a value date of D+1 banking day)

Currency

EUR, for all shares in the basket, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Thursday 28 December 2023 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from February 2028 through January 2029 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------------|------------------|-------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | AVIVA PLC | AV/ LN Equity | LONDON - XLON | 2.0000% |
| 3 | CISCO SYSTEMS INC | CSCO UW Equity | NEW YORK - XNGS | 2.0000% |
| 4 | COCA-COLA CO/THE | KO UN Equity | NEW YORK - XNYS | 2.0000% |
| 5 | DANSKE BANK A/S | DANSKE DC Equity | COPENHAGEN - XCSE | 4.0000% |
| 6 | EXELON CORP | EXC UW Equity | NEW YORK - XNYS | 2.0000% |
| 7 | HOLCIM LTD | HOLN SE Equity | ZURICH - XSWX | 7.0000% |
| 8 | INTL BUSINESS MACHINES CORP | IBM UN Equity | NEW YORK - XNYS | 2.0000% |
| 9 | JOHNSON & JOHNSON | JNJ UN Equity | NEW YORK - XNYS | 4.0000% |
| 10 | KIMBERLY-CLARK CORP | KMB UN Equity | NEW YORK - XNYS | 2.0000% |
| 11 | KINDER MORGAN INC | KMI UN Equity | NEW YORK - XNYS | 2.0000% |
| 12 | MERCEDEZ-BENZ GROUP | MBG GY Equity | FRANKFURT - XETR | 2.0000% |
| 13 | MONDI PLC | MNDI LN Equity | LONDON - XLON | 2.0000% |
| 14 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 3.0000% |
| 15 | NESTLE SA-REG | NESN SE Equity | ZURICH - XVTX | 4.0000% |
| 16 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 7.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 2.0000% |
| 18 | PHOENIX GROUP HOLDINGS PLC | PHNX LN Equity | LONDON - XLON | 3.0000% |
| 19 | QUEST DIAGNOSTICS INC | DGX UN Equity | NEW YORK - XNYS | 4.0000% |
| 20 | ROCHE HOLDING AG-GENUSSCHEIN | ROG SE Equity | ZURICH - XVTX | 4.0000% |
| 21 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 22 | SGS SA-REG | SGSN SE Equity | ZURICH - XVTX | 2.0000% |
| 23 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 24 | SVENSKA HANDELSBANKEN-A SHS | SHBA SS Equity | STOCKHOLM - XSTO | 4.0000% |
| 25 | SWISSCOM AG-REG | SCMN SE Equity | ZURICH - XVTX | 6.0000% |
| 26 | TESCO PLC | TSCO LN Equity | LONDON - XLON | 5.0000% |
| 27 | UNITED UTILITIES GROUP PLC | UU/ LN Equity | LONDON - XLON | 2.0000% |
| 28 | VICI PROPERTIES INC | VICI UN Equity | NEW YORK - XNYS | 4.0000% |
| 29 | VOLVO AB-B SHS | VOLVB SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 3.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund World Fix 100-3, about 1586 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund World Fix 100-3 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Beveik has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

World Fix 100-3

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6346439209 | 6 November 2023 through 19 December 2023 before 6 am CET Settlement for value: 28 December 2023 | 31 January 2024 | 1 000 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 20 EUR | per unit per year, as described below. |
| Administration fee | Max 1 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 20 EUR per unit per year (with a maximum of 1 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 18.95 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 20 EUR per unit per year, as described above.

Information concerning the sub-fund

ČSOB Airbag 1

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Airbag 1

Date of incorporation

1 June 2020

Life

Limited to 29 May 2026

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is to generate the highest possible return for its shareholders. To this end, an investment strategy has been developed that consists of:

- (1) An investment in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits and liquid assets (including cash deposited on a time-deposit account or current account) (see the heading *Permitted asset classes*).
- (2) An investment in swaps. To this end, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return. The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee is provided either to the sub-fund or to its shareholders. The sub-fund does not provide any guaranteed return or capital protection either during the life of the sub-fund or at Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of part or all of the capital initially invested.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The investment objective of the sub-fund is to generate a potential capital gain at Maturity based on the performance of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

- If the basket has not fallen in value (End Value \geq Starting Value), 100% of the increase of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation. (= (End Value minus Starting Value) divided by Starting Value) will be paid out at Maturity, in addition to the Initial Subscription Price. Any capital gain is capped at 60% (yield to maturity of (8.43% before taxes and charges).
- If the basket has fallen in value (End Value $<$ Starting Value), there are two possibilities:

Scenario 1
If the End Value has fallen in value, but not below 80% of the Starting Value, this decline in value will not be subtracted from Initial Subscription Price at Maturity.

Scenario 2
If the End Value has fallen below 80% of the Starting Value, 100% of the decline in the value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation, relative to the Starting Value (= (End Value minus Starting Value) divided by Starting Value) will be subtracted from the Initial Subscription Price. This result will be increased with 20% of the Initial Subscription Price. In such a scenario the repayment at Maturity is below the Initial Subscription Price.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 29 May 2026 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 10 August 2020 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from November 2024 through April 2026 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 1 | AGEAS | AGS BB Equity | BRUSSELS - XBRU | 2.0000% |
| 2 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 2.0000% |
| 3 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 2.0000% |
| 4 | AUST AND NZ BANKING GROUP (AT) | ANZ AT Equity | SYDNEY - XASX | 5.0000% |
| 5 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 6 | BANK OF NOVA SCOTIA (CT) | BNS CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | BCE INC | BCE CT Equity | TORONTO - XTSE | 5.0000% |
| 8 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 2.0000% |
| 9 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 10 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 8.0000% |
| 11 | ENI SPA | ENI IM Equity | MILANO - MTAA | 7.0000% |
| 12 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 13 | MEDICAL PROPERTIES TRUST INC | MPW UN Equity | NEW YORK - XNGS | 2.0000% |
| 14 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 3.0000% |
| 15 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 2.0000% |
| 16 | NORDEA BANK AB | NDA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 8.0000% |
| 18 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | PPL CORP | PPL UN Equity | NEW YORK - XNYS | 2.0000% |
| 20 | RED ELECTRICA CORPORACION SA | REE SQ Equity | MADRID - XMAD | 3.0000% |
| 21 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 22 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 23 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 5.0000% |
| 24 | SSE PLC | SSE LN Equity | LONDON - XLON | 2.0000% |
| 25 | SVENSKA HANDELSBANKEN-A SHS | SHBA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 26 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 27 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 28 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Airbag 1, about 3059 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Airbag 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Airbag 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6321625384 | 1 June 2020 through 3 August 2020 before 6 am CET Settlement for value: 10 August 2020 | 31 August 2020 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the Beveik's statutory auditor | see the 'Information concerning the Beveik - G. Fees and charges regarding the Beveik' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Beveik - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Airbag Amerika 1

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Airbag Amerika 1

Date of incorporation

3 August 2020

Life

Limited to 31 July 2026

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is to generate the highest possible return for its shareholders. To this end, an investment strategy has been developed that consists of:

- (1) An investment in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits and liquid assets (including cash deposited on a time-deposit account or current account) (see the heading *Permitted asset classes*).
- (2) An investment in swaps. To this end, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return. The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee is provided either to the sub-fund or to its shareholders. The sub-fund does not provide any guaranteed return or capital protection either during the life of the sub-fund or at Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of part or all of the capital initially invested.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The investment objective of the sub-fund is to generate a potential capital gain at Maturity based on the performance of a basket of 30 shares of North-American large-cap companies.

- If the basket has not fallen in value (End Value \geq Starting Value), 100% of the increase of the basket of 30 shares of North-American large-cap companies. (= (End Value minus Starting Value) divided by Starting Value) will be paid out at Maturity, in addition to the Initial Subscription Price. Any capital gain is capped at 60% (yield to maturity of (8.41% before taxes and charges).
- If the basket has fallen in value (End Value $<$ Starting Value), there are two possibilities:
 - Scenario 1
If the End Value has fallen in value, but not below 85% of the Starting Value, this decline in value will not be subtracted from Initial Subscription Price at Maturity.
 - Scenario 2
If the End Value has fallen below 85% of the Starting Value, 100% of the decline in the value of the basket of 30 shares of North-American large-cap companies, relative to the Starting Value (= (End Value minus Starting Value) divided by Starting Value) will be subtracted from the Initial Subscription Price. This result will be increased with 15% of the Initial Subscription Price. In such a scenario the repayment at Maturity is below the Initial Subscription Price.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be

found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 31 July 2026 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Thursday 8 October 2020 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from January 2025 through June 2026 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-------------------------|----------------|-----------------|--------------------------------|
| 1 | ABBVIE INC | ABBV UN Equity | NEW YORK - XNYS | 5.0000% |
| 2 | AMERICAN ELECTRIC POWER | AEP UN Equity | NEW YORK - XNYS | 2.0000% |
| 3 | AMGEN (UW) | AMGN UW Equity | NEW YORK - XNGS | 3.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|-----------------|--------------------------------|
| 4 | BCE INC | BCE CT Equity | TORONTO - XTSE | 8.0000% |
| 5 | BRISTOL-MYERS SQUIBB CO | BMJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 6 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 8.0000% |
| 7 | CISCO SYSTEMS INC | CSCO UW Equity | NEW YORK - XNGS | 2.0000% |
| 8 | CONSOLIDATED EDISON INC | ED UN Equity | NEW YORK - XNYS | 2.0000% |
| 9 | DOMINION ENERGY INC | D UN Equity | NEW YORK - XNYS | 3.0000% |
| 10 | DUKE ENERGY CORP | DUK UN Equity | NEW YORK - XNYS | 3.0000% |
| 11 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 12 | FORTIS INC | FTS CT Equity | TORONTO - XTSE | 2.0000% |
| 13 | GENERAL MILLS INC | GIS UN Equity | NEW YORK - XNYS | 2.0000% |
| 14 | HYDRO ONE LTD | H CT Equity | TORONTO - XTSE | 4.0000% |
| 15 | INTACT FINANCIAL CORP | IFC CT Equity | TORONTO - XTSE | 2.0000% |
| 16 | INTL BUSINESS MACHINES CORP | IBM UN Equity | NEW YORK - XNYS | 2.0000% |
| 17 | JOHNSON & JOHNSON | JNJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 18 | KELLOGG CO | K UN Equity | NEW YORK - XNYS | 5.0000% |
| 19 | KIMBERLY-CLARK CORP | KMB UN Equity | NEW YORK - XNYS | 2.0000% |
| 20 | KRAFT HEINZ CO/THE | KHC UW Equity | NEW YORK - XNGS | 2.0000% |
| 21 | PEPSICO INC | PEP UW Equity | NEW YORK - XNGS | 2.0000% |
| 22 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 8.0000% |
| 23 | PUBLIC STORAGE INC | PSA UN Equity | NEW YORK - XNYS | 2.0000% |
| 24 | ROGERS COMMUNICATIONS INC-B | RCI/B CT Equity | TORONTO - XTSE | 3.0000% |
| 25 | ROYAL BANK OF CANADA (CT) | RY CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TELUS CORP (CT) | T CT Equity | TORONTO - XTSE | 8.0000% |
| 27 | TORONTO-DOMINION BANK (CT) | TD CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | UNITED PARCEL SERVICE-CL B | UPS UN Equity | NEW YORK - XNYS | 2.0000% |
| 29 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 6.0000% |
| 30 | XCEL ENERGY INC | XEL UW Equity | NEW YORK - XNYS | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Airbag Amerika 1, about 1306 equities were selected during step 1. The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Airbag Amerika 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it is a North-American company with a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of North American companies. |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Airbag Amerika 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6322583269 | 3 August 2020 through 1 October 2020 before 6 am CET Settlement for value: 8 October 2020 | 30 October 2020 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the Beveik's statutory auditor | see the 'Information concerning the Beveik - G. Fees and charges regarding the Beveik' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Beveik - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Airbag Jumper EUR 12

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Airbag Jumper EUR 12

Date of incorporation

2 January 2018

Life

Limited to 28 March 2024 with a possibility of early termination (see 2. *Investment information* for the conditions).

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is to generate the highest possible return for its shareholders.

To this end, an investment strategy has been developed that consists of:

- (1) An investment in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits and liquid assets (including cash deposited on a time-deposit account or current account) (see the heading *Permitted asset classes*).
- (2) An investment in swaps. To this end, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return. The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee is provided either to the sub-fund or to its shareholders. The sub-fund does not provide any guaranteed return or capital protection either during the life of the sub-fund or at Maturity or in case before the Early Exercise Date .

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of part or all of the capital initially invested.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The investment objective of the sub-fund is to generate a potential capital gain at Maturity based on the evolution of DAX PRICE INDEX .

This structure means that the sub-fund is liquidated early as soon as an Observation Value is not lower than the Initial Value. In the event of early liquidation, a fixed capital gain of 5.50% (yield to maturity of: 5.17% before taxes and charges) will be paid out at Maturity, in addition to the Initial Subscription Price.

If the Observation Value does not trigger early termination, there are these possible scenarios at Maturity:

- If the index has not fallen in value (End Value \geq Starting Value), 70% of the increase of the index (= (End Value minus Starting Value) divided by the Starting Value) will be paid out at Maturity, in addition to the Initial Subscription Price. The capital gain will be capped at 60% (yield to maturity of 8.06% before taxes and charges).

- If the index has fallen in value (End Value < Starting Value), there are two possibilities

Scenario 1

If the End Value has fallen in value, but not below 85% of the Starting Value, this decline in value will not be subtracted from the Initial Subscription Price at Maturity.

Scenario 2

If the End Value has fallen below 85% of the Starting Value, 100% of the decline in the value of the index relative to the Starting Value (= (End Value minus Starting Value) divided by Starting Value) will be subtracted from the Initial Subscription Price. This result will be increased with 15% of the Initial Subscription Price. In such a scenario the repayment at Maturity is below the Initial Subscription Price.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

If the criterion for early termination is met, the Board of Directors of the bevek will take the decision to liquidate the sub-fund on the Early Exercise Date.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

In particular, at launch, the sub-fund takes into account exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems as described in Belgian law.

In addition, for investments in bonds issued by SPVs, the sub-fund will also take into account the KBC Group Investment Policy as well as the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, for investments in bonds issued by SPVs, the sub-fund also considers violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 28 March 2024 (payment with a value date of D+1 banking day)

Currency

EUR, for DAX PRICE INDEX, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the index based on the average of the Value of the index during the first 10 Valuation Days, starting from Thursday 8 March 2018 inclusive.

Observation Value

Value of the index based on the average of the Value of the index on the first 10 Valuation Days of March 2019.

End Value

Value of the index based on the average of the Value of the index on the final Valuation Day of the month for the last 18 months before Maturity, more specifically from September 2022 through February 2024 (inclusive).

Early Exercise Date

The last Belgian banking day of the month in which the Observation Value initiates the early termination of the sub-fund (payment with a value date of D+1 banking day)

Value

Closing value of the DAX PRICE INDEX, to be valued at the time at which the official closing level of the index is published and announced by the relevant authority (index sponsor), i.e. Frankfurt Stock Exchange (or its legal successor).

Valuation day

A Valuation Day is a scheduled trading day, both

- i) for each stock market relating to securities comprising 20% or more of the index and
- ii) for the stock markets whose activity has a significant influence on trading in options and futures relating to securities forming part of the index,

hereinafter referred to as the 'Markets in Question',

and on which the index sponsor calculates and publishes the Price of the index.

If, on the Valuation Day,

- a) one of the Markets in Question remains closed unexpectedly, or
- b) one of the Markets in Question suffers a market-disrupting event, or
- c) one of the Markets in Question closes early,

then the original Valuation Day is replaced by the next trading day when there is no situation as described under (a), (b) or (c). A closing time differing from the customary closing time that is announced in good time, is not considered as an earlier closing time.

When a valuation is done based on consecutive Valuation Days, the replacement trading day may not be (i) another original Valuation Day or (ii) a trading day that already replaces another original Valuation Day.

If, however, a situation such as described under (a), (b) or (c) occurs on each of the eight trading days following the original Valuation Day, then

- (i) the eighth trading day will be considered as the original Valuation Day and
- (ii) the bevek will, in consultation with the prime counterparty (counterparties) with which it has concluded a swap agreement, estimate in good faith the value of the index as that would have been calculated on this eighth trading day and
- (iii) the bevek will inform the shareholders of the changes with respect to determining the Initial Value and/or Value at Maturity and the terms and conditions regarding disbursement.

If changes occur regarding the index (for instance, if it is calculated by another sponsor, or if another method of calculation is used), or if the index sponsor does not succeed in calculating or publishing the index (even though all the information is available) the bevek will, together with the prime counterparty or counterparties with which the swap was concluded, decide how the value of the index will be determined going forward. Where substantial changes occur to the index or the index is no longer calculated, it may be replaced by another index provided that the new index is representative of the same geographical and/or economic sectors.

The **DAX Price Index** is a weighted equity index computed by Deutsche Börse which, in principle, is not protected by dividends. The main purpose of this index is to provide a continuous indication of market trends on the German stock market. This index has an initial value of 1 000, calculated using the underlying prices recorded on 31 December 1987.

The index is composed of the 30 biggest German stocks in terms of freely negotiable shares. They are weighted accordingly on the basis of this criterion.

Deutsche Börse holds all ownership rights with regard to the index. Deutsche Börse in no manner sponsors endorses or is involved in any other way in the issuing and offering of units in Optimum Fund ČSOB Airbag Jumper EUR 12. Deutsche Börse waives all liability for the issuing and offering of the units of this undertaking for collective investment.

The DAX Price Index (Code Bloomberg DAXK) may be consulted daily at any KBC branch.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Airbag Jumper EUR 12

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6298900117 | 2 January 2018 through 1 March 2018 before 6 am CET Settlement for value: 8 March 2018 | 29 March 2018 | 10 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity and on the Early Exercise Date: 0.00% Before: Orders <= 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 EUR | per unit per year, as described below. |
| Administration fee | Max 0.01 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the Beveik's statutory auditor | see the 'Information concerning the Beveik - G. Fees and charges regarding the Beveik' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Beveik - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 EUR per unit per year (with a maximum of 0.01 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 EUR per unit per year, as described above.

Information concerning the sub-fund ČSOB Airbag Jumper EUR 13

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Airbag Jumper EUR 13

Date of incorporation

3 April 2018

Life

Limited to 28 June 2024 with a possibility of early termination (see 2. *Investment information* for the conditions).

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is to generate the highest possible return for its shareholders.

To this end, an investment strategy has been developed that consists of:

- (1) An investment in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits and liquid assets (including cash deposited on a time-deposit account or current account) (see the heading *Permitted asset classes*).
- (2) An investment in swaps. To this end, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return. The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee is provided either to the sub-fund or to its shareholders. The sub-fund does not provide any guaranteed return or capital protection either during the life of the sub-fund or at Maturity or in case before the Early Exercise Date .

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of part or all of the capital initially invested.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The investment objective of the sub-fund is to generate a potential capital gain at Maturity based on the evolution of EURO STOXX 50®-index.

This structure means that the sub-fund is liquidated early as soon as an Observation Value is not lower than the Initial Value. In the event of early liquidation, a fixed capital gain of 6.00% (yield to maturity of: 5.61% before taxes and charges) will be paid out at Maturity, in addition to the Initial Subscription Price.

If the Observation Value does not trigger early termination, there are these possible scenarios at Maturity:

- If the index has not fallen in value (End Value \geq Starting Value), 70% of the increase of the index (= (End Value minus Starting Value) divided by the Starting Value) will be paid out at Maturity, in addition to the Initial Subscription Price. The capital gain will be capped at 60% (yield to maturity of 8.06% before taxes and charges).
- If the index has fallen in value (End Value < Starting Value), there are two possibilities

Scenario 1

If the End Value has fallen in value, but not below 80% of the Starting Value, this decline in value will not be subtracted from the Initial Subscription Price at Maturity.

Scenario 2

If the End Value has fallen below 80% of the Starting Value, 100% of the decline in the value of the index relative to the Starting Value (= (End Value minus Starting Value) divided by Starting Value) will be subtracted from the Initial Subscription Price. This result will be increased with 20% of the Initial Subscription Price. In such a scenario the repayment at Maturity is below the Initial Subscription Price.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

If the criterion for early termination is met, the Board of Directors of the bevek will take the decision to liquidate the sub-fund on the Early Exercise Date.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

In particular, at launch, the sub-fund takes into account exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems as described in Belgian law.

In addition, for investments in bonds issued by SPVs, the sub-fund will also take into account the KBC Group Investment Policy as well as the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, for investments in bonds issued by SPVs, the sub-fund also considers violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 28 June 2024 (payment with a value date of D+1 banking day)

Currency

EUR, for EURO STOXX 50®-index, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the index based on the average of the Value of the index during the first 10 Valuation Days, starting from Friday 8 June 2018 inclusive.

Observation Value

Value of the index based on the average of the Value of the index on the first 10 Valuation Days of June 2019.

End Value

Value of the index based on the average of the Value of the index on the final Valuation Day of the month for the last 18 months before Maturity, more specifically from December 2022 through May 2024 (inclusive).

Early Exercise Date

The last Belgian banking day of the month in which the Observation Value initiates the early termination of the sub-fund (payment with a value date of D+1 banking day)

Value

Closing value of the EURO STOXX 50®-index, to be valued at the time at which the official closing level of the index is published and announced by the relevant authority (index sponsor), i.e. STOXX Limited (or its legal successor).

Valuation day

A Valuation Day is a scheduled trading day, both

- i) for each stock market relating to securities comprising 20% or more of the index and
- ii) for the stock markets whose activity has a significant influence on trading in options and futures relating to securities forming part of the index,

hereinafter referred to as the 'Markets in Question',

and on which the index sponsor calculates and publishes the Price of the index.

If, on the Valuation Day,

- a) one of the Markets in Question remains closed unexpectedly, or
- b) one of the Markets in Question suffers a market-disrupting event, or
- c) one of the Markets in Question closes early,

then the original Valuation Day is replaced by the next trading day when there is no situation as described under (a), (b) or (c). A closing time differing from the customary closing time that is announced in good time, is not considered as an earlier closing time.

When a valuation is done based on consecutive Valuation Days, the replacement trading day may not be (i) another original Valuation Day or (ii) a trading day that already replaces another original Valuation Day.

If, however, a situation such as described under (a), (b) or (c) occurs on each of the eight trading days following the original Valuation Day, then

- (i) the eighth trading day will be considered as the original Valuation Day and
- (ii) the bevek will, in consultation with the prime counterparty (counterparties) with which it has concluded a swap agreement, estimate in good faith the value of the index as that would have been calculated on this eighth trading day and
- (iii) the bevek will inform the shareholders of the changes with respect to determining the Initial Value and/or Value at Maturity and the terms and conditions regarding disbursement.

If changes occur regarding the index (for instance, if it is calculated by another sponsor, or if another method of calculation is used), or if the index sponsor does not succeed in calculating or publishing the index (even though all the information is available) the bevek will, together with the prime counterparty or counterparties with which the swap was concluded, decide how the value of the index will be determined going forward. Where substantial changes occur to the index or the index is no longer calculated, it may be replaced by another index provided that the new index is representative of the same geographical and/or economic sectors.

The EURO STOXX 50® (Bloomberg code: SX5E Index) is a weighted equity index computed by Stoxx Ltd. The dividend is not reinvested. The main purpose of this index is to provide a continuous indication of market trends on the European stock markets. The base value of the index is 1000, calculated on the basis of the underlying prices recorded on 31 December 1991.

The Euro Stoxx 50® consists solely of shares from countries participating in the Economic and Monetary Union, with the exception of Luxembourg. On 10 April 1998, the following countries were included in the index: Belgium, Cyprus, Germany, Estonia, Finland, France, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovakia, Slovenia and Spain.

The index consists of the 50 largest European shares in terms of shares that are freely negotiable, and the shares are accordingly weighted on the basis of this criterion.

The Euro Stoxx 50® is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

Stoxx Limited has all proprietary rights with respect to the index. In no way Stoxx Limited endorses, sponsors or is otherwise involved in the issue and offering the shares of Optimum Fund ČSOB Airbag Jumper EUR 13. Stoxx Limited disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

STOXX and its Licensors do not:

- Sponsor, endorse, sell or promote the Optimum Fund ČSOB Airbag Jumper EUR 13;
- Recommend that any person invest in Optimum Fund ČSOB Airbag Jumper EUR 13 or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of Optimum Fund ČSOB Airbag Jumper EUR 13;
- Have any responsibility or liability for the administration, management or marketing of Optimum Fund ČSOB Airbag Jumper EUR 13;
- Consider the needs of Optimum Fund ČSOB Airbag Jumper EUR 13 or the owners of the Optimum Fund ČSOB Airbag Jumper EUR 13 in determining, composing or calculating the Euro Stoxx 50® or have any obligation to do so.

STOXX and its Licensors will not have any liability in connection with Optimum Fund ČSOB Airbag Jumper EUR 13.

Specifically,

- **STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:**
 - **The results to be obtained by Optimum Fund ČSOB Airbag Jumper EUR 13, the owner of Optimum Fund ČSOB Airbag Jumper EUR 13 or any other person in connection with the use of the Euro Stoxx 50® and the data included in the Euro Stoxx 50®;**
 - **The accuracy or completeness of the Euro Stoxx 50® and its data;**
 - **The merchantability and the fitness for a particular purpose or use of the Euro Stoxx 50® and its data;**
- **STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the Euro Stoxx50® or its data;**
- **Under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.**

The licensing agreement between the issuer and STOXX is solely for their benefit and not for the benefit of the owners of the Optimum Fund ČSOB Airbag Jumper EUR 13 or any other third parties.

STOXX and its licensors (the "Licensors") have no relationship to the Licensee, other than the licensing of the Euro Stoxx 50®-index and the related trademarks for use in connection with Optimum Fund ČSOB Airbag Jumper EUR 13.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Airbag Jumper EUR 13

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6302305212 | 3 April 2018 through 1 June 2018 before 6 am CET Settlement for value: 8 June 2018 | 29 June 2018 | 10 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|---|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity and on the Early Exercise Date: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 EUR | per unit per year, as described below. |
| Administration fee | Max 0.01 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the Beveik's statutory auditor | see the 'Information concerning the Beveik - G. Fees and charges regarding the Beveik' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Beveik - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 EUR per unit per year (with a maximum of 0.01 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 EUR per unit per year, as described above.

Information concerning the sub-fund ČSOB Airbag Jumper EUR 15

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Airbag Jumper EUR 15

Date of incorporation

1 April 2019

Life

Limited to 29 May 2025 with a possibility of early termination (see 2. *Investment information* for the conditions).

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is to generate the highest possible return for its shareholders.

To this end, an investment strategy has been developed that consists of:

- (1) An investment in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits and liquid assets (including cash deposited on a time-deposit account or current account) (see the heading *Permitted asset classes*).
- (2) An investment in swaps. To this end, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return. The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee is provided either to the sub-fund or to its shareholders. The sub-fund does not provide any guaranteed return or capital protection either during the life of the sub-fund or at Maturity or in case before the Early Exercise Date .

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of part or all of the capital initially invested.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The investment objective of the sub-fund is to generate a potential capital gain at Maturity based on the evolution of STOXX EUROPE 600 TELECOMMUNICATIONS.

This structure means that the sub-fund is liquidated early as soon as an Observation Value is not lower than the Initial Value. In the event of early liquidation, a fixed capital gain of 8.00% (yield to maturity of: 8.21% before taxes and charges) will be paid out at Maturity, in addition to the Initial Subscription Price.

If the Observation Value does not trigger early termination, there are these possible scenarios at Maturity:

- If the index has not fallen in value (End Value \geq Starting Value), 70% of the increase of the index (= (End Value minus Starting Value) divided by the Starting Value) will be paid out at Maturity, in addition to the Initial Subscription Price. The capital gain will be capped at 60% (yield to maturity of 8.19% before taxes and charges).
- If the index has fallen in value (End Value $<$ Starting Value), there are two possibilities

Scenario 1

If the End Value has fallen in value, but not below 85% of the Starting Value, this decline in value will not be subtracted from the Initial Subscription Price at Maturity.

Scenario 2

If the End Value has fallen below 85% of the Starting Value, 100% of the decline in the value of the index relative to the Starting Value (= (End Value minus Starting Value) divided by Starting Value) will be subtracted from the Initial Subscription Price. This result will be increased with 15% of the Initial Subscription Price. In such a scenario the repayment at Maturity is below the Initial Subscription Price.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

If the criterion for early termination is met, the Board of Directors of the bevek will take the decision to liquidate the sub-fund on the Early Exercise Date.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

In particular, at launch, the sub-fund takes into account exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems as described in Belgian law.

In addition, for investments in bonds issued by SPVs, the sub-fund will also take into account the KBC Group Investment Policy as well as the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, for investments in bonds issued by SPVs, the sub-fund also considers violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10').

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 29 May 2025 (payment with a value date of D+1 banking day)

Currency

EUR, for STOXX EUROPE 600 TELECOMMUNICATIONS, changes in the value of the currency in which they are expressed relative to EUR are irrelevant.

Starting Value

Value of the index based on the average of the Value of the index during the first 10 Valuation Days, starting from Tuesday 11 June 2019 inclusive.

Observation Value

Value of the index based on the average of the Value of the index on the first 10 Valuation Days of May 2020.

End Value

Value of the index based on the average of the Value of the index on the final Valuation Day of the month for the last 18 months before Maturity, more specifically from November 2023 through April 2025 (inclusive).

Early Exercise Date

The last Belgian banking day of the month in which the Observation Value initiates the early termination of the sub-fund (payment with a value date of D+1 banking day)

Value

Closing value of the STOXX EUROPE 600 TELECOMMUNICATIONS, to be valued at the time at which the official closing level of the index is published and announced by the relevant authority (index sponsor), i.e. STOXX Limited (or its legal successor).

Valuation day

A Valuation Day is a scheduled trading day, both

- i) for each stock market relating to securities comprising 20% or more of the index and
- ii) for the stock markets whose activity has a significant influence on trading in options and futures relating to securities forming part of the index,

hereinafter referred to as the 'Markets in Question',

and on which the index sponsor calculates and publishes the Price of the index.

If, on the Valuation Day,

- a) one of the Markets in Question remains closed unexpectedly, or
- b) one of the Markets in Question suffers a market-disrupting event, or
- c) one of the Markets in Question closes early,

then the original Valuation Day is replaced by the next trading day when there is no situation as described under (a), (b) or (c). A closing time differing from the customary closing time that is announced in good time, is not considered as an earlier closing time.

When a valuation is done based on consecutive Valuation Days, the replacement trading day may not be (i) another original Valuation Day or (ii) a trading day that already replaces another original Valuation Day.

If, however, a situation such as described under (a), (b) or (c) occurs on each of the eight trading days following the original Valuation Day, then

- (i) the eighth trading day will be considered as the original Valuation Day and
- (ii) the bevek will, in consultation with the prime counterparty (counterparties) with which it has concluded a swap agreement, estimate in good faith the value of the index as that would have been calculated on this eighth trading day and
- (iii) the bevek will inform the shareholders of the changes with respect to determining the Initial Value and/or Value at Maturity and the terms and conditions regarding disbursement.

If changes occur regarding the index (for instance, if it is calculated by another sponsor, or if another method of calculation is used), or if the index sponsor does not succeed in calculating or publishing the index (even though all the information is available) the bevek will, together with the prime counterparty or counterparties with which the swap was concluded, decide how the value of the index will be determined going forward. Where substantial changes occur to the index or the index is no longer calculated, it may be replaced by another index provided that the new index is representative of the same geographical and/or economic sectors.

The STOXX® Europe 600 Telecommunications index is a weighted, in principle non-dividend-protected equity index, calculated by STOXX Limited. The STOXX® Europe 600 Telecommunications Index measures the performance of the European Telecommunications sector as defined by the Industry Classification Benchmark (ICB) and is a subset of the STOXX® Europe 600 Index, which comprises 600 of the largest stocks across 18 European countries. The Index rebalances quarterly with components weighted by free float market capitalisation and capped to maintain compliance with UCITS diversification standards. Free float market capitalisation is the market value of a company's readily available outstanding shares.

Further details regarding the Index (including its constituents) are available on the index provider's website at (www.stoxx.com).

Stoxx Limited has all proprietary rights with respect to the Index. In no way Stoxx Limited endorses, sponsors or is otherwise involved in the issue and offering the shares of Optimum Fund ČSOB Airbag Jumper EUR 15. Stoxx Limited disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The STOXX® Europe 600 Telecommunications Index is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

STOXX and its licensors (the "Licensors") have no relationship to the Licensee, other than the licensing of the STOXX® Europe 600 Telecommunications Index and the related trademarks for use in connection with Optimum Fund ČSOB Airbag Jumper EUR 15.

STOXX and its Licensors do not:

- Sponsor, endorse, sell or promote the Optimum Fund ČSOB Airbag Jumper EUR 15;
- Recommend that any person invest in Optimum Fund ČSOB Airbag Jumper EUR 15 or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of Optimum Fund ČSOB Airbag Jumper EUR 15;
- Have any responsibility or liability for the administration, management or marketing of Optimum Fund ČSOB Airbag Jumper EUR 15;
- Consider the needs of Optimum Fund ČSOB Airbag Jumper EUR 15 or the owners of the Optimum Fund ČSOB Airbag Jumper EUR 15 in determining, composing or calculating the STOXX® Europe 600 Telecommunications Index or have any obligation to do so.

STOXX and its Licensors will not have any liability in connection with Optimum Fund ČSOB Airbag Jumper EUR 15.

Specifically,

- STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:
 - The results to be obtained by Optimum Fund ČSOB Airbag Jumper EUR 15, the owner of Optimum Fund ČSOB Airbag Jumper EUR 15 or any other person in connection with the use of the STOXX® Europe 600 Telecommunications Index and the data included in the STOXX® Europe 600 Telecommunications Index.;
 - The accuracy or completeness of the STOXX® Europe 600 Telecommunications Index and its data;
 - The merchantability and the fitness for a particular purpose or use of the STOXX® Europe 600 Telecommunications Index and its data;
- STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the STOXX® Europe 600 Telecommunications Index or its data;
- Under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.

The licensing agreement between the issuer and STOXX is solely for their benefit and not for the benefit of the owners of the Optimum Fund ČSOB Airbag Jumper EUR 15 or any other third parties.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies in the communication services sector. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Airbag Jumper EUR 15

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | EUR | BE6312053695 | 1 April 2019 through 3 June 2019 before 6 am CET Settlement for value: 11 June 2019 | 28 June 2019 | 10 EUR |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity and on the Early Exercise Date: 0.00% Before: Orders <= 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 EUR | per unit per year, as described below. |
| Administration fee | Max 0.01 EUR | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the Beveik's statutory auditor | see the 'Information concerning the Beveik - G. Fees and charges regarding the Beveik' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Beveik - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 EUR per unit per year (with a maximum of 0.01 EUR per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 EUR per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 EUR per unit per year, as described above.

Information concerning the sub-fund

ČSOB Flexibilní plán

1. Basic details

Name

ČSOB Flexibilní plán

Date of incorporation

4 May 2015

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk.** In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

Optimum Fund CSOB Flexibilní Plán aims to generate a potential return by mainly investing, either directly or indirectly (through funds), in a worldwide selection of equities and bonds.

The sub-fund comprises two parts: a fixed part (fixed relationship between bonds and equities) and a flexible part (variable relationship between bonds and equities).

Each year, at the start of the period (no later than the first Belgian banking day in the month of July), the relationship between the fixed part and the flexible part is determined. This relationship depends on the volatility of the market; the higher the volatility, the more the sub-fund will be invested in the fixed part. At least once a month, the relationship between the fixed part and the flexible part is adjusted based on a mathematical model that is particularly determined by the sub-fund's performance.

The fixed part aims to include a fixed relationship between bonds and equities and will at all times be composed of more bonds than equities.

The flexible part aims to be composed equally of bonds and equities each year at the start of the period. At least once a month, the weighting is adjusted based on a mathematical model, particularly on the basis of the performance of the equities relative to that of the bonds since the start of that yearly period. For example, if the equities generate a return lower than that on the bonds, the weighting of equities compared to bonds will decrease. Conversely, if the equities generate a return greater than that on the bonds, the weighting of equities compared to bonds will increase.

At the end of the period, the flexible part aims to be entirely invested in the asset class that, relative to the other, has offered the better return over that period.

The sub-fund can invest up to 65% in equities.

Optimum Fund CSOB Flexibilní Plán may make limited use of derivatives. This means that derivatives may be used either to help achieve the investment objectives (for example, by increasing or decreasing the exposure to one or more market segments in line with the investment strategy) or to neutralise the portfolio's sensitivity to market factors (by hedging an exchange rate risk, for example). Exposure to the currency risk of an individual currency is limited to a maximum 3% and the remaining exposure will be hedged.

The equities component is compiled in line with KBC Asset Management NV's equities investment strategy (see. www.kbc.be/investment-strategy). All themes, industry sectors and regions are eligible for consideration.

The component comprising fixed-income securities is compiled in line with KBC Asset Management NV's investment

strategy for fixed-income securities (see. www.kbc.be/investment-strategy). All themes, industry sectors and

regions are eligible for consideration.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or
- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

Investments in assets other than securities or money market instruments

The sub-fund will essentially invest in units in undertakings for collective investment. The sub-fund may invest primarily in units of undertakings for collective investment managed by a KBC group company.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the equity component. |
| Credit risk | The risk that an issuer or a counterparty will default | moderate | the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall. |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the equity component. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | the bond component does not provide any protection against an increase in inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 6 am CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

ČSOB Flexibilní plán

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6277441869 | 4 May 2015 through 30 June 2015 before 6 am CET Settlement for value: 3 July 2015 | 1 July 2015 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 1.36% | <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 1.36% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund ČSOB Flexibilní portfolio

1. Basic details

Name

ČSOB Flexibilní portfolio

Date of incorporation

4 May 2015

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The investment policy aims to track the strategy recommended for an investor with a specific risk profile.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.
The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk.** In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

Optimum Fund CSOB Flexibilní portfolio aims to generate a potential return by mainly investing, either directly or indirectly (through funds), in a worldwide selection of equities and fixed-income instruments.

Each year, at the start of the period (no later than the first Belgian banking business day in the month of July), the sub-fund aims to invest equally in shares and bonds.

Within this yearly period, at least once a month, the weighting of the assets is adjusted based on a mathematical model. The allocation between equities and bonds will depend particularly on the performance of the equities relative to that of the bonds since the start of that yearly period. For example, if the equities generate a return that is lower than that on the bonds, the weighting of equities compared to bonds will decrease. Conversely, if the equities generate a return that is greater than that on the bonds, the weighting of equities compared to bonds will increase. During this period, the portfolio may temporarily comprise entirely equities or entirely bonds.

At the end of the period, it is intended that the sub-fund should be entirely invested in the asset class that, relative to the other, has offered the better return over that period.

Optimum Fund CSOB Flexibilní portfolio may make limited use of derivatives. This means that derivatives may be used either to help achieve the investment objectives (for example, by increasing or decreasing the exposure to one or more market segments in line with the investment strategy) or to neutralise the portfolio's sensitivity to market factors (by hedging an exchange rate risk, for example). Exposure to the currency risk of an individual currency is limited to a maximum 3% and the remaining exposure will be hedged.

The equities component is compiled in line with KBC Asset Management NV's equities investment strategy (see. www.kbc.be/investment-strategy). All themes, industry sectors and regions are eligible for consideration.

The component comprising bonds is compiled in line with KBC Asset Management NV's investment strategy for bonds (see. www.kbc.be/investment-strategy). All themes, industry sectors and regions are eligible for consideration.

The fund is actively managed without referring to any benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or
- in government bonds issued in local currency or non-subordinated corporate bonds* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has an investment grade rating by at least one of the rating agencies mentioned above, and/or
- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

Investments in assets other than securities or money market instruments

The sub-fund will essentially invest in units in undertakings for collective investment. The sub-fund may invest primarily in units of undertakings for collective investment managed by a KBC group company.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the equity component. |
| Credit risk | The risk that an issuer or a counterparty will default | moderate | the bond component invests primarily - but not exclusively- in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating. If investors are in doubt about the creditworthiness of the issuers of the bonds, the value of those bonds can fall. |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the equity component. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | the bond component does not provide any protection against an increase in inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 6 am CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

ČSOB Flexibilní portfolio

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6277443881 | 4 May 2015 through 30 June 2015 before 6 am CET Settlement for value: 3 July 2015 | 1 July 2015 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 1.50% | <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 1.50% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund ČSOB Globálních firem 5

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Globálních firem 5

Date of incorporation

19 October 2020

Life

Limited to 29 January 2027

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 90% of the initial subscription price of 10 CZK at Maturity, i.e. 9 CZK using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 90% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 90% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 90% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 10% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 90% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 70% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 40% (yield to maturity of 5.69% before taxes and charges). If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 10% (yield to maturity of -1.73% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 29 January 2027 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 4 January 2021 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from July 2025 through December 2026 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-------------------------|----------------|------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 3.0000% |
| 3 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 4 | DEUTSCHE TELEKOM AG-REG | DTE GY Equity | FRANKFURT - XETR | 2.0000% |
| 5 | DOMINION ENERGY INC | D UN Equity | NEW YORK - XNYS | 2.0000% |
| 6 | DUKE ENERGY CORP | DUK UN Equity | NEW YORK - XNYS | 2.0000% |
| 7 | E.ON SE | EOAN GY Equity | FRANKFURT - XETR | 2.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-------------------------------|------------------|------------------|--------------------------------|
| 8 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 4.0000% |
| 9 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 2.0000% |
| 10 | FORTUM OYJ | FORTUM FH Equity | HELSINKI - XHEL | 3.0000% |
| 11 | LAFARGEHOLCIM LTD | LHN SE Equity | ZURICH - XVTX | 2.0000% |
| 12 | MITSUBISHI UFJ FIN GROUP | 8306 JT Equity | TOKYO - XTKS | 8.0000% |
| 13 | MITSUMI & CO LTD | 8031 JT Equity | TOKYO - XTKS | 2.0000% |
| 14 | MS&AD INSURANCE GROUP HOLDING | 8725 JT Equity | TOKYO - XTKS | 2.0000% |
| 15 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 2.0000% |
| 16 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 2.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 3.0000% |
| 18 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 8.0000% |
| 19 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 20 | SUMITOMO MITSUI FIN GROUP | 8316 JT Equity | TOKYO - XTKS | 5.0000% |
| 21 | SWISSCOM AG-REG | SCMN SE Equity | ZURICH - XVTX | 8.0000% |
| 22 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 2.0000% |
| 23 | TELENOR ASA | TEL NO Equity | OSLO - XOSL | 2.0000% |
| 24 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 8.0000% |
| 25 | TELUS CORP (CT) | T CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TERNA SPA | TRN IM Equity | MILANO - MTAA | 4.0000% |
| 27 | TOKIO MARINE HOLDINGS INC | 8766 JT Equity | TOKYO - XTKS | 2.0000% |
| 28 | UPM-KYMMENE OYJ | UPM FH Equity | HELSINKI - XHEL | 2.0000% |
| 29 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Globálních firem 5, about 1884 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Globálních firem 5 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Globálních firem 5

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6324294881 | 19 October 2020 through 24 December 2020 before 6 am CET Settlement for value: 4 January 2021 | 29 January 2021 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 90% of the initial subscription price of 10 CZK per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Globálních firem 7

1. Basic details

Name

ČSOB Globálních firem 7

Date of incorporation

2 August 2021

Life

Limited to 30 September 2027

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 75% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 50% (yield to maturity of 7.01% before taxes and charges).

Negative performances of the basket are not taken into account.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 30 September 2027 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Friday 8 October 2021 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from March 2026 through August 2027 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 1 | AGNC INVESTMENT CORP | AGNC UW Equity | NEW YORK - XNGS | 2.0000% |
| 2 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 2.0000% |
| 3 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 5.0000% |
| 4 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 5 | BANK OF NOVA SCOTIA (CT) | BNS CT Equity | TORONTO - XTSE | 3.0000% |
| 6 | BCE INC | BCE CT Equity | TORONTO - XTSE | 6.0000% |
| 7 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 2.0000% |
| 8 | CONSOLIDATED EDISON INC | ED UN Equity | NEW YORK - XNYS | 2.0000% |
| 9 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 10 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 5.0000% |
| 11 | INTL BUSINESS MACHINES CORP | IBM UN Equity | NEW YORK - XNYS | 2.0000% |
| 12 | M&G PLC | MNG LN Equity | LONDON - XLON | 2.0000% |
| 13 | MEDICAL PROPERTIES TRUST INC | MPW UN Equity | NEW YORK - XNGS | 5.0000% |
| 14 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 4.0000% |
| 15 | NN GROUP NV | NN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 16 | ORANGE | ORA FP Equity | PARIS - XPAR | 7.0000% |
| 17 | REALTY INCOME CORP | O UN Equity | NEW YORK - XNYS | 2.0000% |
| 18 | RED ELECTRICA CORPORACION SA | REE SQ Equity | MADRID - XMAD | 7.0000% |
| 19 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 20 | SEVERN TRENT PLC | SVT LN Equity | LONDON - XLON | 4.0000% |
| 21 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 2.0000% |
| 22 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 23 | SWISSCOM AG-REG | SCMN SE Equity | ZURICH - XVTX | 7.0000% |
| 24 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 2.0000% |
| 25 | TC ENERGY CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 3.0000% |
| 27 | TERNA SPA | TRN IM Equity | MILANO - MTAA | 2.0000% |
| 28 | UNITED UTILITIES GROUP PLC | UU/ LN Equity | LONDON - XLON | 2.0000% |
| 29 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Globálních firem 7, about 1969 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Globálních firem 7 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Beveke has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Globálních firem 7

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6329232795 | 2 August 2021 through 1 October 2021 before 6 am CET Settlement for value: 8 October 2021 | 29 October 2021 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Kratkodobych dluhopisu

1. Basic details

Name

ČSOB Kratkodobych dluhopisu

Date of incorporation

30 April 2009

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to CSOB Asset Management a.s. investiční společnost, Radlicka 333/150 , 150 57 , Praha 5, Czech Republic.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in bonds and debt instruments.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

The assets are invested in bonds and debt instruments denominated in Czech koruna and other currencies. Investments are made in assets denominated in other currencies where there is a lack of suitable instruments in Czech koruna, i.e. when including investments denominated in Czech koruna could hinder proper execution of the sub-fund's investment strategy. Investments denominated in other currencies are hedged against foreign exchange risk. The assets are invested primarily in financial instruments with a duration of no more than two years.

The fund is actively managed with reference to the following benchmark: 25% JP Morgan GBI Czech Republic 1-3Y CZK - Total Return Index, 75% JP Morgan Euro Cash 3M CZK Hedged - Total Return Index.

This benchmark is a return index and as such will be used as the reference for the return of the sub-fund's portfolio. In this case, active management refers to the fact that the manager strives to outperform the benchmark.

The benchmark is also used to determine the fund's risk limitation mechanism. This limits the extent to which the fund's return may deviate from the benchmark.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in bonds and debt instruments rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies: Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or

- in bonds and debt instruments which do not have a credit rating by the rating agencies mentioned above but where the issuer or guarantor has an investment grade rating by at least one of the rating agencies mentioned above.

This means that the sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the interest rate sensitivity of the bonds in the portfolio and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | high | there is a concentration of investments in bonds denominated in Czech koruna. |
| Performance risk | Risks to return | moderate | the level of the risk reflects the interest rate sensitivity of the bonds in the portfolio and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 2 pm CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 2 pm CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 2 pm CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 2 pm CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

ČSOB Kratkodobých dluhopisu - Classic Shares

There is a minimum subscription value of 100000 CZK (both during as well as after the initial subscription period).

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE0948725651 | 4 May 2009 through 29 May 2009 Settlement for value: 3 June 2009 | 2 June 2009 | 100 CZK |
| DIS (Distribution shares) | CZK | BE0948724647 | 4 May 2009 through 29 May 2009 Settlement for value: 3 June 2009 | 2 June 2009 | 100 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | - | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 0.70%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 0.70% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | 0.02% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Kratkodobych dluhopisu - Institutional B Shares

This share class is reserved for undertakings for collective investment managed by KBC Asset Management NV or by another company related to this management company. It requires a minimum subscription of 5000 CZK (both during as well as after the initial subscription period). If it appears that the shares of this share class are held by persons other than authorized, these shares will be converted at no cost (except taxes) into shares of the share class 'Classic Shares'.

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6280425636 | 29 September 2015 through 30 September 2015 before 6 am CET Settlement for value: 5 October 2015 | 1 October 2015 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|--|---|
| Trading fee | - | - | - |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: max. 0.500% After the initial subscription period: max. 0.500% | After the initial subscription period: max. 0.500% | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | - | - |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 0.70%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 0.70% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | 0.02% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund ČSOB Krátkodobý 1

1. Basic details

Name

ČSOB Krátkodobý 1

Date of incorporation

2 January 2024

Life

Limited to 31 August 2027

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 32% (yield to maturity of 8.30% before taxes and charges).

Negative performances of the basket are not taken into account.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Tuesday 31 August 2027 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Friday 8 March 2024 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 6 months before Maturity, more specifically from February 2027 through July 2027 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 2.0000% |
| 3 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 4 | BASF SE | BAS GY Equity | FRANKFURT - XETR | 2.0000% |
| 5 | COLES GROUPLTD | COL AT Equity | SYDNEY - XASX | 2.0000% |
| 6 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 8 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 9 | HOLCIM LTD | HOLN SE Equity | ZURICH - XSWX | 6.0000% |
| 10 | KONINKLIJKE AHOLD DELHAIZE NV | AD NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 11 | KONINKLIJKE KPN NV | KPN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 12 | KRAFT HEINZ CO/THE | KHC UW Equity | NEW YORK - XNGS | 2.0000% |
| 13 | MIZUHO FIN GROUP | 8411 JT Equity | TOKYO - XTKS | 6.0000% |
| 14 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 15 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 4.0000% |
| 16 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 5.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 4.0000% |
| 18 | PEMBINA PIPELINE CORP | PPL CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 2.0000% |
| 20 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 21 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 22 | SUMITOMO MITSUI FIN GROUP | 8316 JT Equity | TOKYO - XTKS | 6.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 7.0000% |
| 24 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 5.0000% |
| 25 | TC ENERGY CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 6.0000% |
| 27 | TESCO PLC | TSCO LN Equity | LONDON - XLON | 4.0000% |
| 28 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | WPP PLC | WPP LN Equity | LONDON - XLON | 3.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Krátkodobý 1, about 1586 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Krátkodobý 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Beveke has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | the value of an investment will be affected by the volatility of the exchange rates to the denomination currency. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Krátkodobý 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6347180828 | 2 January 2024 through 1 March 2024 before 6 am CET Settlement for value: 8 March 2024 | 28 March 2024 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 1 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund

ČSOB Lookback 1

1. Basic details

Name

ČSOB Lookback 1

Date of incorporation

7 September 2020

Life

Limited to 31 August 2026

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is to generate the highest possible return for its shareholders. To this end, an investment strategy has been developed that consists of:

- (1) An investment in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits and liquid assets (including cash deposited on a time-deposit account or current account) (see the heading *Permitted asset classes*).
- (2) An investment in swaps. To this end, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return. The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee is provided either to the sub-fund or to its shareholders. The sub-fund does not provide any guaranteed return or capital protection either during the life of the sub-fund or at Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of part or all of the capital initially invested.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund aims to generate a potential capital gain that is based on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

The capital gain will be calculated on the evolution of a basket of shares using the formula $(\text{End Value} - \text{Minimum Starting Value}) / \text{Starting Value}$.

At Maturity :

- If the basket's End Value is not below its Minimum Starting Value, the sub-fund will pay out 100% of the increase in value in addition to 100% of the initial subscription price.
- If the basket's End Value is below its Minimum Starting Value, 100% of the decline in value will be taken into account.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Monday 31 August 2026 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 9 November 2020 inclusive.

Minimum Starting Value

The lowest value of the Starting Value and the lowest Value of the basket on the Initial Observation Days and is always lower than or equal to the Starting Value.

Initial Observation Dates

The first Valuation Day of each month from and including December 2020 up to and including May 2021 (inclusive).

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from February 2025 through July 2026 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|------------------|------------------|--------------------------------|
| 1 | ABBVIE INC | ABBV UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 3 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 8.0000% |
| 4 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 5 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 2.0000% |
| 6 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 7.0000% |
| 7 | DEUTSCHE TELEKOM AG-REG | DTE GY Equity | FRANKFURT - XETR | 2.0000% |
| 8 | DOMINION ENERGY INC | D UN Equity | NEW YORK - XNYS | 2.0000% |
| 9 | DUKE ENERGY CORP | DUK UN Equity | NEW YORK - XNYS | 2.0000% |
| 10 | E.ON SE | EOAN GY Equity | FRANKFURT - XETR | 2.0000% |
| 11 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 2.0000% |
| 12 | ENERGIAS DE PORTUGAL SA | EDP PL Equity | LISBON - XLIS | 2.0000% |
| 13 | FORTUM OYJ | FORTUM FH Equity | HELSINKI - XHEL | 5.0000% |
| 14 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 7.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------|----------------|------------------|--------------------------------|
| 15 | JAPAN POST HOLDINGS CO LTD | 6178 JT Equity | TOKYO - XTKS | 2.0000% |
| 16 | KONINKLIJKE KPN NV | KPN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 17 | MIZUHO FIN GROUP | 8411 JT Equity | TOKYO - XTKS | 8.0000% |
| 18 | MUENCHENER RUECKVER AG-REG | MUV2 GY Equity | FRANKFURT - XETR | 2.0000% |
| 19 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 3.0000% |
| 20 | ORANGE | ORA FP Equity | PARIS - XPAR | 2.0000% |
| 21 | RIO TINTO PLC | RIO LN Equity | LONDON - XLON | 2.0000% |
| 22 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 8.0000% |
| 23 | SOUTHERN CO | SO UN Equity | NEW YORK - XNYS | 2.0000% |
| 24 | SSE PLC | SSE LN Equity | LONDON - XLON | 2.0000% |
| 25 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 2.0000% |
| 26 | TELENOR ASA | TEL NO Equity | OSLO - XOSL | 5.0000% |
| 27 | TERNA SPA | TRN IM Equity | MILANO - MTAA | 5.0000% |
| 28 | UPM-KYMMENE OYJ | UPM FH Equity | HELSINKI - XHEL | 4.0000% |
| 29 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Lookback 1, about 1931 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Lookback 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Beveik has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Lookback 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6323306702 | 7 September 2020 through 2 November 2020 before 6 am CET Settlement for value: 9 November 2020 | 30 November 2020 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the Beveik's statutory auditor | see the 'Information concerning the Beveik - G. Fees and charges regarding the Beveik' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Beveik - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Lookback 2

1. Basic details

Name

ČSOB Lookback 2

Date of incorporation

1 March 2022

Life

Limited to 29 February 2028

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to pay back at Maturity at least 100% of the initial subscription price, and secondly, to generate a potential capital gain that is contingent on the evolution of a basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation.

If the End Value of the basket of 30 shares of a worldwide selection of companies that are characterised by a high market capitalisation has risen relative to its Minimum Starting Value, 100% of the increase $(= (\text{Value at Maturity} - \text{Minimum Starting Value}) / \text{Initial Value})$ will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain is capped at 100% (yield to maturity of 12.67% before taxes and charges). Negative performances of the basket are not taken into account.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Tuesday 29 February 2028 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 9 May 2022 inclusive.

Minimum Starting Value

The lowest value of the Starting Value and the lowest Value of the basket on the Initial Observation Days and is always lower than or equal to the Starting Value.

Initial Observation Dates

The first Valuation Day of each month from and including June 2022 up to and including November 2022 (inclusive).

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from August 2026 through January 2028 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 8.0000% |
| 3 | AUST AND NZ BANKING GROUP (AT) | ANZ AT Equity | SYDNEY - XASX | 2.0000% |
| 4 | AXA SA | CS FP Equity | PARIS - XPAR | 4.0000% |
| 5 | BANK OF NOVA SCOTIA (CT) | BNS CT Equity | TORONTO - XTSE | 3.0000% |
| 6 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 2.0000% |
| 8 | CONSOLIDATED EDISON INC | ED UN Equity | NEW YORK - XNYS | 2.0000% |
| 9 | DANONE | BN FP Equity | PARIS - XPAR | 2.0000% |
| 10 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 11 | IBERDROLA SA (SQ) | IBE SQ Equity | MADRID - XMAD | 4.0000% |
| 12 | KONINKLIJKE KPN NV | KPN NA Equity | AMSTERDAM - XAMS | 3.0000% |
| 13 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 14 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 4.0000% |
| 15 | NN GROUP NV | NN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 16 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 3.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 7.0000% |
| 18 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | REALTY INCOME CORP | O UN Equity | NEW YORK - XNYS | 4.0000% |
| 20 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 3.0000% |
| 21 | SKANDINAVISKA ENSKILDA BAN-A | SEBA SS Equity | STOCKHOLM - XSTO | 4.0000% |
| 22 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 5.0000% |
| 23 | SWISSCOM AG-REG | SCMN SE Equity | ZURICH - XVTX | 8.0000% |
| 24 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 2.0000% |
| 25 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 4.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 6.0000% |
| 27 | TESCO PLC | TSCO LN Equity | LONDON - XLON | 2.0000% |
| 28 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Lookback 2, about 1577 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Lookback 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Bevef has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Lookback 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6332922838 | 1 March 2022 through 2 May 2022 before 6 am CET Settlement for value: 9 May 2022 | 31 May 2022 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund

ČSOB Lookback 3

1. Basic details

Name

ČSOB Lookback 3

Date of incorporation

3 July 2023

Life

Limited to 31 July 2028

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund pursues two investment objectives: the repayment of 100% of the initial subscription price at Maturity as well as a potential capital gain based on the performance of a basket of 30 World Selection Stocks.

At maturity, an increase equal to the best of two alternatives will be paid out:

- 8%, settled at 100% of the initial subscription price;
- 100% of the performance in the basket of 30 shares, settled at 100% of the initial subscription price, capped at 120%. The performance of the basket is calculated as ((End Value minus Minimal Starting Value) divided by Starting Value). Negative evolutions in the basket will not be taken into account.

Consequently, the minimum return at maturity will be 8% (actuarial yield: 1.58% before fees and taxes) and maximum 120% (actuarial return: 17.46% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Monday 31 July 2028 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Friday 8 September 2023 inclusive.

Minimum Starting Value

The lowest value of the Starting Value and the lowest Value of the basket on the Initial Observation Days and is always lower than or equal to the Starting Value.

Initial Observation Dates

The first Valuation Day of each month from and including October 2023 up to and including March 2024 (inclusive).

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 12 months before Maturity, more specifically from July 2027 through June 2028 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ALLIANZ SE | ALV GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 2.0000% |
| 3 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 4 | BASF SE | BAS GY Equity | FRANKFURT - XETR | 2.0000% |
| 5 | COLES GROUPLTD | COL AT Equity | SYDNEY - XASX | 2.0000% |
| 6 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 7 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 8 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 9 | HOLCIM LTD | HOLN SE Equity | ZURICH - XSWX | 6.0000% |
| 10 | KONINKLIJKE AHOLD DELHAIZE NV | AD NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 11 | KONINKLIJKE KPN NV | KPN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 12 | KRAFT HEINZ CO/THE | KHC UW Equity | NEW YORK - XNGS | 2.0000% |
| 13 | MIZUHO FIN GROUP | 8411 JT Equity | TOKYO - XTKS | 6.0000% |
| 14 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 15 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 4.0000% |
| 16 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 5.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 4.0000% |
| 18 | PEMBINA PIPELINE CORP | PPL CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 2.0000% |
| 20 | SAMPO OYJ-A SHS | SAMPO FH Equity | HELSINKI - XHEL | 2.0000% |
| 21 | SOFTBANK CORP | 9434 JT Equity | TOKYO - XTKS | 8.0000% |
| 22 | SUMITOMO MITSUI FIN GROUP | 8316 JT Equity | TOKYO - XTKS | 6.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 7.0000% |
| 24 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 5.0000% |
| 25 | TC ENERGY CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 26 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 6.0000% |
| 27 | TESCO PLC | TSCO LN Equity | LONDON - XLON | 4.0000% |
| 28 | VERIZON COMMUNICATIONS INC | VZ UN Equity | NEW YORK - XNYS | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | WPP PLC | WPP LN Equity | LONDON - XLON | 3.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Lookback 3, about 1549 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Lookback 3 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, (iii) the Board of Directors of the Bevef has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Lookback 3

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6343430185 | 3 July 2023 through 1 September 2023 before 6 am CET Settlement for value: 8 September 2023 | 29 September 2023 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|---|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders <= 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Lookback farmacie a zdravotnictví 1

1. Basic details

Name

ČSOB Lookback farmacie a zdravotnictví 1

Date of incorporation

31 October 2023

Life

Limited to 29 June 2029

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund pursues two investment objectives: the repayment of 100% of the initial subscription price at Maturity as well as a potential capital gain based on the performance of a basket of 30 shares of companies operating in the pharmaceutical and healthcare industries.

At maturity, an increase equal to the best of two alternatives will be paid out:

- 9.00%, settled at 100% of the initial subscription price;
- 80% of the performance in the basket of 30 shares, settled at 100% of the initial subscription price, capped at 80%. The performance of the basket is calculated as ((End Value minus Minimal Starting Value) divided by Starting Value). Negative evolutions in the basket will not be taken into account.

Consequently, the minimum return at maturity will be 9.00% (actuarial yield: 1.59% before fees and taxes) and maximum 80% (actuarial return: 11.36% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 29 June 2029 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 15 January 2024 inclusive.

Minimum Starting Value

The lowest value of the Starting Value and the lowest Value of the basket on the Initial Observation Days and is always lower than or equal to the Starting Value.

Initial Observation Dates

The first Valuation Day of each month from and including February 2024 up to and including October 2024 (inclusive).

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from December 2027 through May 2029 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-------------------------------|-----------------|-------------------|--------------------------------|
| 1 | ABBVIE INC | ABBV UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | AEGON NV | AGN NA Equity | AMSTERDAM - XAMS | 5.0000% |
| 3 | AMGEN (UW) | AMGN UW Equity | NEW YORK - XNGS | 2.0000% |
| 4 | ASTELLAS PHARMA INC | 4503 JT Equity | TOKYO - XTKS | 2.0000% |
| 5 | BRISTOL-MYERS SQUIBB CO | BMJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 6 | DAI ICHI LIFE HOLDINGS INC | 8750 JT Equity | TOKYO - XTKS | 3.0000% |
| 7 | EUROFINS SCIENTIFIC | ERF FP Equity | PARIS - XPAR | 2.0000% |
| 8 | GILEAD SCIENCES INC (UW) | GILD UW Equity | NEW YORK - XNGS | 2.0000% |
| 9 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 4.0000% |
| 10 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 11 | JAPAN POST HOLDINGS CO LTD | 6178 JT Equity | TOKYO - XTKS | 8.0000% |
| 12 | JOHNSON & JOHNSON | JNJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 13 | MANULIFE FINANCIAL CORP | MFC CT Equity | TORONTO - XTSE | 2.0000% |
| 14 | MEDTRONIC INC | MDT UN Equity | NEW YORK - XNYS | 2.0000% |
| 15 | MERCK & CO. INC. | MRK UN Equity | NEW YORK - XNYS | 2.0000% |
| 16 | NN GROUP NV | NN NA Equity | AMSTERDAM - XAMS | 3.0000% |
| 17 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 8.0000% |
| 18 | NOVO NORDISK A/S-B | NOVOB DC Equity | COPENHAGEN - XCSE | 2.0000% |
| 19 | ONO PHARMACEUTICAL CO LTD | 4528 JT Equity | TOKYO - XTKS | 3.0000% |
| 20 | OTSUKA HOLDINGS CO LTD | 4578 JT Equity | TOKYO - XTKS | 2.0000% |
| 21 | PFIZER INC | PFE UN Equity | NEW YORK - XNYS | 4.0000% |
| 22 | POSTE ITALIANE SPA | PST IM Equity | MILANO - MTAA | 2.0000% |
| 23 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 3.0000% |
| 24 | PRUDENTIAL FINANCIAL INC | PRU UN Equity | NEW YORK - XNYS | 2.0000% |
| 25 | ROCHE HOLDING AG-GENUSSSCHEIN | ROG SE Equity | ZURICH - XVTX | 8.0000% |
| 26 | SONIC HEALTHCARE LTD | SHL AT Equity | SYDNEY - XASX | 2.0000% |
| 27 | SUN LIFE FINANCIAL INC | SLF CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 8.0000% |
| 29 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 7.0000% |
| 30 | UCB SA | UCB BB Equity | BRUSSELS - XBRU | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Lookback farmacie a zdravotnictví 1, about 201 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Lookback farmacie a zdravotnictví 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company operating in the pharmaceutical or healthcare industry, (iii) the Board of Directors of the Bevek has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the pharmaceutical and health care industries. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Lookback farmacie a zdravotnictví

1

There is a minimum subscription value of 5000 CZK (both during as well as after the initial subscription period).

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6346377557 | 31 October 2023 through 8 January 2024 before 6 am CET Settlement for value: 15 January 2024 | 16 February 2024 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund

ČSOB Odvážný

1. Basic details

Name

ČSOB Odvážný

Date of incorporation

14 May 2013

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to CSOB Asset Management a.s. investiční společnost, Radlicka 333/150 , 150 57 , Praha 5, Czech Republic.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The investment policy aims to track the strategy recommended for an investor with a specific risk profile.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.
The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

The sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments ("the stock component"), bonds and/or bond-related investments ("the bond component"), money market instruments, cash and/or alternative investments (including real estate, and financial instruments that are linked to price movements on the commodity market).

The bond component will never exceed 60% of the portfolio and the stock component will never exceed 70% of the portfolio.

The asset allocation follows the investment strategy recommended by CSOB Asset Management for the dynamic investor on the Czech market (see www.csobam.cz/portal/informace-o-csob-am > Investiční strategie).

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The currency risk of the assets of the sub-fund relative to the CZK can be fully or partially hedged and currency exposure can be taken in any currency and in any direction up to the level of the equity component in accordance with the investment strategy recommended by CSOB Asset Management.

The fund is actively managed with reference to the following benchmark: 22.5% JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index, 4.5% JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index, 2.25% JP Morgan EMBI CZK Hedged - Total Return Index, 2.25% JP Morgan GBI EM Global Diversified CZK - Total Return Index, 13.5% iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index, 55% MSCI All Countries World CZK Hedged - Net Return Index.

However, it is not the aim of the fund to replicate the benchmark. The composition of the benchmark is taken into account when compiling the portfolio.

The composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

The benchmark is also used to determine the fund's risk limitation mechanism. This limits the extent to which the fund's return may deviate from the benchmark.

The longterm expected tracking error for this fund is 2.00%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable

economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

Source: MSCI. No MSCI Party nor any other party involved in or related to compiling, computing or creating the MSCI data, makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates, or any third party involved in compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies:

Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or

- in government bonds issued in local currency or non-subordinated corporate bonds* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has investment grade rating by at least one of the rating agencies mentioned above, and/or

- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the Sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

Investments in assets other than securities or money market instruments

The sub-fund will primarily invest in units in Undertakings for Collective Investment.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the equity component. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the equity component. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | the bond component does not provide any protection against an increase in inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | none | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 6 am CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

ČSOB Odvážný - Classic Shares

There is a minimum subscription value of 500 CZK (both during as well as after the initial subscription period).

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6327054357 | 12 April 2021 through 3 May 2021 before 6 am CET Settlement for value: 6 May 2021 | 4 May 2021 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 1.30%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 1.30% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Odvážný - Classic Shares CSOB Premium

There is a minimum subscription value of 50000 CZK (both during as well as after the initial subscription period).

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: <https://www.csobpremium.cz/portal/get-premium-benefits>

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6285869754 | 23 May 2016 through 2 August 2016 before 6 am CET Settlement for value: 5 August 2016 | 3 August 2016 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 2.50% After the initial subscription period: max. 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 1.10%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 1.10% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Odvážný - Classic Shares CSOB Private Banking

There is a minimum subscription value of 100000 CZK (both during as well as after the initial subscription period).

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: www.csobpb.cz/portal/about-us

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6252470446 | 3 June 2013 through 31 July 2013 before 6 am CET Settlement for value: 5 August 2013 | 1 August 2013 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 1.00% After the initial subscription period: max. 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|---|
| Fee for managing the investment portfolio | <p>Max 1.00%</p> <p>Max 0.01%</p> | <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 1.00% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund

ČSOB Opatrný

1. Basic details

Name

ČSOB Opatrný

Date of incorporation

9 August 2012

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to CSOB Asset Management a.s. investiční společnost, Radlicka 333/150 , 150 57 , Praha 5, Czech Republic.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The investment policy aims to track the strategy recommended for an investor with a specific risk profile.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.
The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

The sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments ("the stock component"), bonds and/or bond-related investments ("the bond component"), money market instruments, cash and/or alternative investments (including real estate, and financial instruments that are linked to price movements on the commodity market).

The bond component will never exceed 85% of the portfolio and the stock component will never exceed 45% of the portfolio.

The asset allocation follows the investment strategy recommended by CSOB Asset Management for the defensive investor on the Czech market (see www.csobam.cz/portal/informace-o-csob-am Investiční strategie).

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The currency risk of the assets of the sub-fund relative to the CZK can be fully or partially hedged and currency exposure can be taken in any currency and in any direction up to the level of the equity component in accordance with the investment strategy recommended by CSOB Asset Management.

The fund is actively managed with reference to the following benchmark: 32.5% JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index, 6.5% JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index, 3.25% JP Morgan EMBI CZK Hedged - Total Return Index, 3.25% JP Morgan GBI EM Global Diversified CZK - Total Return Index, 19.5% iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index, 35% MSCI All Countries World CZK Hedged - Net Return Index.

However, it is not the aim of the fund to replicate the benchmark. The composition of the benchmark is taken into account when compiling the portfolio.

The composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

The benchmark is also used to determine the fund's risk limitation mechanism. This limits the extent to which the fund's return may deviate from the benchmark.

The longterm expected tracking error for this fund is 1.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

Source: MSCI. No MSCI Party nor any other party involved in or related to compiling, computing or creating the MSCI data, makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates, or any third party involved in compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies:

Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or

- in government bonds issued in local currency or non-subordinated corporate bonds* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has investment grade rating by at least one of the rating agencies mentioned above, and/or

- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the Sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

Investments in assets other than securities or money market instruments

The sub-fund will invest primarily in units of undertakings for collective investment.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the equity component. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | moderate | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a real chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the equity component. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | moderate | the bond component does not provide any protection against an increase in inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 6 am CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

ČSOB Opatrný - Classic Shares

There is a minimum subscription value of 500 CZK (both during as well as after the initial subscription period).

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6327056378 | 12 April 2021 through 3 May 2021 before 6 am CET Settlement for value: 6 May 2021 | 4 May 2021 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 1.10%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 1.10% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Opatrný - Classic Shares CSOB Premium

There is a minimum subscription value of 50000 CZK (both during as well as after the initial subscription period).

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: <https://www.csobpremium.cz/portal/get-premium-benefits>

| Types of shares offered to the public | Currency for the calculation of the net asset value | ISIN code | The initial subscription period/day (unless the subscription period is closed early) | The first net asset value following the initial subscription period/day | Initial subscription price |
|---------------------------------------|---|--------------|--|---|----------------------------|
| CAP (Capitalisation shares) | CZK | BE6285923320 | 23 May 2016 through 2 August 2016 before 6 am CET Settlement for value: 5 August 2016 | 3 August 2016 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | Subscription | Redemption | Switching between subfunds |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 2.50% After the initial subscription period: max. 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 0.80%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 0.80% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | Max 2.50% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Opatrný - Classic Shares CSOB Private Banking

There is a minimum subscription value of 100000 CZK.

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: www.csobpb.cz/portal/about-us

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6241648862 | 3 September 2012 through 31 October 2012 before 6 am CET Settlement for value: 6 November 2012 | 2 November 2012 | 1 000 CZK |
| DIS (Distribution shares) | CZK | BE6282470713 | 1 December 2015 through 4 January 2016 before 6 am CET Settlement for value: 7 January 2016 | 5 January 2016 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 1.00% After the initial subscription period: max. 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 0.74%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 0.74% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund ČSOB Private Banking Family Enterprises 1

1. Basic details

Name

ČSOB Private Banking Family Enterprises 1

Date of incorporation

12 November 2018

Life

Limited to 30 October 2024

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund pursues two investment objectives: on the one hand the repayment of 100% of the initial subscription price on the Maturity Date and on the other hand a possible capital gain depending on the evolution of a basket of 30 shares from companies with a family atmosphere in which the founding family has a significant ownership and / or leadership. This means that:

- at least 20% (ownership interest) of the company's shares have to be directly or indirectly owned (through, for instance, a company or foundation) by one or more families; and/or:
- at least one member of the family or families has to sit, directly or indirectly (through, for instance, a company or by means of a formal mandate from a third party), on the company's board of directors.

Companies with strong family roots focus on the long term. Family-based shareholders want to transfer their company to the next generation so it is in their own interest to ensure that their company does well. They pursue growth responsibly and generally take less risk. They are highly involved in the company, both financially and emotionally, and are, therefore, more willing to invest capital in the company in the long term. This enables them to draw up a long-term strategy and implement it in practice, too.

If the Value of the basket of 30 shares in companies in which the founding family has significant ownership and/or leadership has risen relative to its Starting Value, 60% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 70% (yield to maturity of 9.50% before taxes and charges).

Negative performances of the basket are not taken into account.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Wednesday 30 October 2024 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Thursday 27 December 2018 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from April 2023 through September 2024 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------------|-------------------|-------------------|--------------------------------|
| 1 | ANHEUSER-BUSCH INBEV NV | ABI BB Equity | BRUSSELS - XBRU | 8.0000% |
| 2 | AP MOELLER-MAERSK A/S-B | MAERSKB DC Equity | COPENHAGEN - XCSE | 2.0000% |
| 3 | ASSOCIATED BRITISH FOODS PLC | ABF LN Equity | LONDON - XLON | 2.0000% |
| 4 | BAYERISCHE MOTOREN WERKE AG | BMW GY Equity | FRANKFURT - XETR | 8.0000% |
| 5 | BEIERSDORF AG | BEI GY Equity | FRANKFURT - XETR | 2.0000% |
| 6 | BOUYGUES | EN FP Equity | PARIS - XPAR | 2.0000% |
| 7 | CONTINENTAL AG | CON GY Equity | FRANKFURT - XETR | 2.0000% |
| 8 | DASSAULT SYSTEMES SA | DSY FP Equity | PARIS - XPAR | 2.0000% |
| 9 | FERROVIAL SA (SQ) | FER SQ Equity | MADRID - XMCE | 8.0000% |
| 10 | GRIFOLS SA | GRF SQ Equity | MADRID - XMCE | 3.0000% |
| 11 | HEINEKEN NV | HEIA NA Equity | AMSTERDAM - XAMS | 4.0000% |
| 12 | HENKEL AG & CO KGAA VORZUG | HEN3 GY Equity | FRANKFURT - XETR | 2.0000% |
| 13 | HEXAGON SS Equity | HEXAB SS Equity | STOKHOLM - XSTO | 3.0000% |
| 14 | ILIAD SA | ILD FP Equity | PARIS - XPAR | 3.0000% |
| 15 | INDITEX (SQ) | ITX SQ Equity | MADRID - XMCE | 3.0000% |
| 16 | KERING | KER FP Equity | PARIS - XPAR | 2.0000% |
| 17 | KONE OYJ-B | KNEBV FH Equity | HELSINKI - XHEL | 2.0000% |
| 18 | LVMH MOET HENNESSY LOUIS VUI | MC FP Equity | PARIS - XPAR | 2.0000% |
| 19 | MERCK KGAA | MRK GY Equity | FRANKFURT - XETR | 2.0000% |
| 20 | MONCLER SPA | MONC IM Equity | MILAN - MACX | 2.0000% |
| 21 | PERNOD-RICARD SA | RI FP Equity | PARIS - XPAR | 4.0000% |
| 22 | PEUGEOT SA | UG FP Equity | PARIS - XPAR | 2.0000% |
| 23 | RANDSTAD HOLDING NV | RAND NA Equity | AMSTERDAM - XAMS | 4.0000% |
| 24 | RECORDATI SPA | REC IM Equity | MILAN - MACX | 8.0000% |
| 25 | SODEXO | SW FP Equity | PARIS - XPAR | 8.0000% |
| 26 | SOLVAY SA | SOLB BB Equity | BRUSSELS - XBRU | 2.0000% |
| 27 | UBISOFT ENTERTAINMENT | UBI FP Equity | PARIS - XPAR | 2.0000% |
| 28 | UNITED INTERNET AG | UTDI GY Equity | FRANKFURT - XETR | 2.0000% |
| 29 | VOLKSWAGEN AG PREF | VOW3 GY Equity | FRANKFURT - XETR | 2.0000% |
| 30 | WACKER CHEMIE AG | WCH GY Equity | FRANKFURT - XETR | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Private Banking Family Enterprises 1, about 207 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Private Banking Family Enterprises 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company in which the founding family has significant ownership and/or leadership. This means that the members of the family own at least 20% of the shares and / or that one or more members of the family reside in the management committee and / or the board of directors, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of investments in the shares of companies where the shares are owned directly or indirectly by one or more families. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Private Banking Family Enterprises 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6308824414 | 12 November 2018 through 17 December 2018 before 6 am CET Settlement for value: 27 December 2018 | 16 January 2019 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Sponzoři sportu 1

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Sponzoři sportu 1

Date of incorporation

18 June 2018

Life

Limited to 28 June 2024

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 90% of the initial subscription price of 10 CZK at Maturity, i.e. 9 CZK using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 90% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 90% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 90% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from www.kbc.be/prospectus/spv.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from www.kbc.be.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 10% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 90% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares in companies that sponsor sports events.

If the Value of the basket of 30 shares in companies that sponsor sports events has risen relative to its Starting Value, 70% of this increase in Value ($\text{Value} = (\text{End Value} - \text{Starting Value}) / \text{Starting Value}$) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 50% (yield to maturity of 7.23% before taxes and charges). If the Value of the basket of 30 shares in companies that sponsor sports events has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 10% (yield to maturity of -1.80% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 28 June 2024 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 10 September 2018 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from December 2022 through May 2024 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-------------------------|----------------|------------------|--------------------------------|
| 1 | ADIDAS AG | ADS GY Equity | FRANKFURT - XETR | 3.0000% |
| 2 | ANHEUSER-BUSCH INBEV NV | ABI BB Equity | BRUSSELS - XBRU | 5.0000% |
| 3 | BANCO SANTANDER SA (SQ) | SAN SQ Equity | MADRID - XMCE | 2.0000% |
| 4 | BARCLAYS PLC | BARC LN Equity | LONDON - XLON | 2.0000% |
| 5 | BAYER AG | BAYN GY Equity | FRANKFURT - XETR | 2.0000% |
| 6 | BNP PARIBAS | BNP FP Equity | PARIS - XPAR | 4.0000% |
| 7 | CANON INC | 7751 JT Equity | TOKYO - XTKS | 6.0000% |
| 8 | CARREFOUR SA | CA FP Equity | PARIS - XPAR | 4.0000% |
| 9 | COCA-COLA CO/THE | KO UN Equity | NEW YORK - XNYS | 2.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-------------------------|------------------|-------------------|--------------------------------|
| 10 | DAIMLER AG | DAI GY Equity | FRANKFURT - XETR | 8.0000% |
| 11 | DANSKE BANK A/S | DANSKE DC Equity | COPENHAGEN - XCSE | 6.0000% |
| 12 | DIAGEO PLC | DGE LN Equity | LONDON - XLON | 2.0000% |
| 13 | FORD MOTOR CO | F UN Equity | NEW YORK - XNYS | 2.0000% |
| 14 | HEINEKEN NV | HEIA NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 15 | HONDA MOTOR CO LTD | 7267 JT Equity | TOKYO - XTKS | 2.0000% |
| 16 | ING GROEP NV-CVA | INGA NA Equity | AMSTERDAM - XAMS | 3.0000% |
| 17 | NESTLE SA-REG | NESN SE Equity | ZURICH - XVTX | 8.0000% |
| 18 | NISSAN MOTOR CO LTD | 7201 JT Equity | TOKYO - XTKS | 8.0000% |
| 19 | NOVO NORDISK A/S-B | NOVOB DC Equity | COPENHAGEN - XCSE | 2.0000% |
| 20 | PANASONIC CORP | 6752 JT Equity | TOKYO - XTKS | 2.0000% |
| 21 | PEPSICO INC | PEP UW Equity | NEW YORK - XNYS | 2.0000% |
| 22 | PROCTER & GAMBLE CO/THE | PG UN Equity | NEW YORK - XNYS | 2.0000% |
| 23 | RAKUTEN INC | 4755 JT Equity | TOKYO - XTKS | 2.0000% |
| 24 | SAP AG | SAP GY Equity | FRANKFURT - XETR | 2.0000% |
| 25 | SCHNEIDER ELECTRIC SA | SU FP Equity | PARIS - XPAR | 2.0000% |
| 26 | SIEMENS AG-REG | SIE GY Equity | FRANKFURT - XETR | 2.0000% |
| 27 | SWATCH GROUP AG/THE-BR | UHR SE Equity | ZURICH - XVTX | 2.0000% |
| 28 | TOYOTA MOTOR CORP | 7203 JT Equity | TOKYO - XTKS | 4.0000% |
| 29 | UNICREDIT SPA | UCG IM Equity | MILANO - MTAA | 2.0000% |
| 30 | UNILEVER NV-CVA | UNA NA Equity | AMSTERDAM - XAMS | 5.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Sponzoři sportu 1, about 90 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Sponzoři sportu 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) they are shares in companies that sponsor sports events, and (iii) the Board of Directors of the Bevek has approved its inclusion in the

basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Sponzoři sportu 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6304872664 | 18 June 2018 through 3 September 2018 before 6 am CET Settlement for value: 10 September 2018 | 28 September 2018 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 90% of the initial subscription price of 10 CZK per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund

ČSOB Světové trhy 2

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Světové trhy 2

Date of incorporation

3 September 2018

Life

Limited to 30 August 2024

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 90% of the initial subscription price of 10 CZK at Maturity, i.e. 9 CZK using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 90% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 90% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Beveik – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 90% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 10% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 90% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 quality shares of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 quality shares of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 50% (yield to maturity of 7.22% before taxes and charges).

If the Value of the basket of 30 quality shares of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 10% (yield to maturity of -1.80% before taxes and charges). Every year (in October of 2019 through 2023), the interim observation value of the basket will be compared with its initial value. If an interim observation value is higher than or equal to 90% of the basket's initial value, you will receive 100% of the initial subscription price.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 30 August 2024 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Friday 9 November 2018 inclusive.

Interim Observation Value

Each year from 2019 through 2023, an Interim Observation Value will be calculated for the basket by taking the average weighted price of the shares in the basket on the first 5 Valuation Days of the month of October of the year in question. As a result, 5 Interim Observation Values will be calculated during the life of the sub-fund.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from February 2023 through July 2024 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------|----------------|------------------|--------------------------------|
| 1 | ABN AMRO GROUP NV | ABN NA Equity | AMSTERDAM - XAMS | 7.0000% |
| 2 | ADECCO GROUP AG | ADEN SE Equity | ZURICH - XVTX | 2.0000% |
| 3 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 5.0000% |
| 4 | AXA SA | CS FP Equity | PARIS - XPAR | 6.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|-----------------|------------------|--------------------------------|
| 5 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 6 | COCA-COLA CO/THE | KO UN Equity | NEW YORK - XNYS | 2.0000% |
| 7 | DAIMLER AG | DAI GY Equity | FRANKFURT - XETR | 4.0000% |
| 8 | DEUTSCHE TELEKOM AG-REG | DTE GY Equity | FRANKFURT - XETR | 3.0000% |
| 9 | DUKE ENERGY CORP | DUK UN Equity | NEW YORK - XNYS | 2.0000% |
| 10 | ENI SPA | ENI IM Equity | MILANO - MTAA | 3.0000% |
| 11 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 12 | IBERDROLA SA (SQ) | IBE SQ Equity | MADRID - XMCE | 4.0000% |
| 13 | INTESA SANPAOLO | ISP IM Equity | MILANO - MTAA | 2.0000% |
| 14 | KLEPIERRE | LI FP Equity | PARIS - XPAR | 5.0000% |
| 15 | LAFARGEHOLCIM LTD | LHN SE Equity | ZURICH - XVTX | 2.0000% |
| 16 | MACQUARIE GROUP LTD | MQG AT Equity | SYDNEY - XASX | 2.0000% |
| 17 | METLIFE INC | MET UN Equity | NEW YORK - XNYS | 2.0000% |
| 18 | NOKIA OYJ | NOKIA FH Equity | HELSINKI - XHEL | 2.0000% |
| 19 | NORDEA BANK AB | NDA SS Equity | STOCKHOLM - XSTO | 7.0000% |
| 20 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 5.0000% |
| 21 | PFIZER INC | PFE UN Equity | NEW YORK - XNYS | 2.0000% |
| 22 | PROCTER & GAMBLE CO/THE | PG UN Equity | NEW YORK - XNYS | 2.0000% |
| 23 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 24 | SANOFI | SAN FP Equity | PARIS - XPAR | 3.0000% |
| 25 | SIMON PROPERTY GROUP INC | SPG UN Equity | NEW YORK - XNYS | 2.0000% |
| 26 | SWEDBANK AB - A SHARES | SWEDA SS Equity | STOCKHOLM - XSTO | 8.0000% |
| 27 | TRANSCANADA CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | VOLVO AB-B SHS | VOLVB SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 29 | WOODSIDE PETROLEUM LTD | WPL AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 6.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Světové trhy 2, about 512 equities were selected during step 1. The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Světové trhy 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Světové trhy 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6306356955 | 3 September 2018 through 2 November 2018 before 6 am CET Settlement for value: 9 November 2018 | 30 November 2018 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 90% of the initial subscription price of 10 CZK per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund

ČSOB Světové trhy 3

Note to the Belgian investors:

KBC group has signed up to the FSMA's Moratorium on the distribution of particularly complex structured products. This product is considered particularly complex according to the Moratorium and will therefore not be marketed in Belgium.

1. Basic details

Name

ČSOB Světové trhy 3

Date of incorporation

3 February 2020

Life

Limited to 27 February 2026

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 95% of the initial subscription price of 10 CZK at Maturity, i.e. 9.5 CZK using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 95% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 95% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 95% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 5% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 95% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 quality shares of companies that are characterised by a high market capitalisation.

If the Value of the basket of 30 quality shares of companies that are characterised by a high market capitalisation has risen relative to its Starting Value, 100% of this increase in Value $(= (\text{End Value} - \text{Starting Value}) / \text{Starting Value})$ will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 60% (yield to maturity of 8.30% before taxes and charges).

If the Value of the basket of 30 quality shares of companies that are characterised by a high market capitalisation has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 5% (yield to maturity of -0.87% before taxes and charges). Every year (in March of 2021 through 2024), the interim observation value of the basket will be compared with its initial value. If an interim observation value is higher than or equal to 90% of the basket's initial value, you will receive 100% of the initial subscription price.

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 27 February 2026 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Wednesday 8 April 2020 inclusive.

Interim Observation Value

Each year from 2021 through 2024, an Interim Observation Value will be calculated for the basket by taking the average weighted price of the shares in the basket on the first 5 Valuation Days of the month of March of the year in question. As a result, 4 Interim Observation Values will be calculated during the life of the sub-fund.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from August 2024 through January 2026 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|----------------|----------------|--------------------------------|
| 1 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 5.0000% |
| 2 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 3 | CAN IMPERIAL BK OF COMMERCE (CT) | CM CT Equity | TORONTO - XTSE | 2.0000% |
| 4 | CANON INC | 7751 JT Equity | TOKYO - XTKS | 2.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|-----------------|------------------|--------------------------------|
| 5 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 5.0000% |
| 6 | DEUTSCHE TELEKOM AG-REG | DTE GY Equity | FRANKFURT - XETR | 2.0000% |
| 7 | DOMINION ENERGY INC | D UN Equity | NEW YORK - XNYS | 2.0000% |
| 8 | ENBRIDGE INC | ENB CT Equity | TORONTO - XTSE | 2.0000% |
| 9 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 8.0000% |
| 10 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 2.0000% |
| 11 | ENERGIAS DE PORTUGAL SA | EDP PL Equity | LISBON - XLIS | 2.0000% |
| 12 | ENGIE | ENGI FP Equity | PARIS - XPAR | 2.0000% |
| 13 | ENI SPA | ENI IM Equity | MILANO - MTAA | 2.0000% |
| 14 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 15 | MACQUARIE GROUP LTD | MQG AT Equity | SYDNEY - XASX | 2.0000% |
| 16 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 8.0000% |
| 17 | ORANGE | ORA FP Equity | PARIS - XPAR | 7.0000% |
| 18 | PEMBINA PIPELINE CORP | PPL CT Equity | TORONTO - XTSE | 2.0000% |
| 19 | PPL CORP | PPL UN Equity | NEW YORK - XNYS | 2.0000% |
| 20 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 21 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 5.0000% |
| 22 | SVENSKA HANDELSBANKEN-A SHS | SHBA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 23 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 24 | SYDNEY AIRPORT | SYD AT Equity | SYDNEY - XASX | 2.0000% |
| 25 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 26 | TELUS CORP (CT) | T CT Equity | TORONTO - XTSE | 2.0000% |
| 27 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 28 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 4.0000% |
| 29 | WP CAREY INC | WPC UN Equity | NEW YORK - XNYS | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Světové trhy 3, about 2664 equities were selected during step 1. The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Světové trhy 3 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | moderate | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Světové trhy 3

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6318058607 | 3 February 2020 through 1 April 2020 before 6 am CET Settlement for value: 8 April 2020 | 30 April 2020 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 95% of the initial subscription price of 10 CZK per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Světových firem s lookbackem 1

1. Basic details

Name

ČSOB Světových firem s lookbackem 1

Date of incorporation

1 February 2019

Life

Limited to 30 January 2025

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to pay back at Maturity at least 100% of the initial subscription price, and secondly, to generate a potential capital gain that is contingent on the evolution of a basket of 30 quality shares of companies that are characterised by a high market capitalisation.

If the End Value of the basket of 30 quality shares of companies that are characterised by a high market capitalisation has risen relative to its Minimum Starting Value, 60% of the increase $(= (\text{Value at Maturity} - \text{Minimum Starting Value}) / \text{Initial Value})$ will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain is capped at 80% (yield to maturity of 10.63% before taxes and charges). Negative performances of the basket are not taken into account.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Thursday 30 January 2025 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 8 April 2019 inclusive.

Minimum Starting Value

The lowest value of the Starting Value and the lowest Value of the basket on the Initial Observation Days and is always lower than or equal to the Starting Value.

Initial Observation Dates

The first Valuation Day of each month from and including May 2019 up to and including October 2019 (inclusive).

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from July 2023 through December 2024 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 4.0000% |
| 2 | AXA SA | CS FP Equity | PARIS - XPAR | 5.0000% |
| 3 | BASF SE | BAS GY Equity | FRANKFURT - XETR | 2.0000% |
| 4 | BAYERISCHE MOTOREN WERKE AG | BMW GY Equity | FRANKFURT - XETR | 2.0000% |
| 5 | BCE INC | BCE CT Equity | TORONTO - XTSE | 3.0000% |
| 6 | BNP PARIBAS | BNP FP Equity | PARIS - XPAR | 2.0000% |
| 7 | BT GROUP PLC | BT/A LN Equity | LONDON - XLON | 2.0000% |
| 8 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 2.0000% |
| 9 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 8.0000% |
| 10 | ENGIE | ENGI FP Equity | PARIS - XPAR | 2.0000% |
| 11 | ENI SPA | ENI IM Equity | MILANO - MTAA | 3.0000% |
| 12 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 2.0000% |
| 13 | HSBC HOLDINGS PLC (LONDON) | HSBA LN Equity | LONDON - XLON | 2.0000% |
| 14 | IMPERIAL BRANDS PLC | IMB LN Equity | LONDON - XLON | 4.0000% |
| 15 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 16 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 5.0000% |
| 17 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMCE | 3.0000% |
| 18 | NORDEA BANK AB | NDA SS Equity | STOCKHOLM - XSTO | 6.0000% |
| 19 | REPSOL SA | REP SQ Equity | MADRID - XMCE | 3.0000% |
| 20 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 21 | SOCIETE GENERALE | GLE FP Equity | PARIS - XPAR | 2.0000% |
| 22 | SSE PLC | SSE LN Equity | LONDON - XLON | 2.0000% |
| 23 | SWEDBANK AB - A SHARES | SWEDA SS Equity | STOCKHOLM - XSTO | 8.0000% |
| 24 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 25 | TELEFONICA SA (SQ) | TEF SQ Equity | MADRID - XMCE | 2.0000% |
| 26 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 27 | UNITED UTILITIES GROUP PLC | UU/ LN Equity | LONDON - XLON | 3.0000% |
| 28 | WESFARMERS LIMITED (AT) | WES AT Equity | SYDNEY - XASX | 2.0000% |
| 29 | WESTPAC BANKING CORP | WBC AT Equity | SYDNEY - XASX | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 5.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Světových firem s lookbackem 1, about 547 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Světových firem s lookbackem 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Světových firem s lookbackem 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6310265275 | 1 February 2019 through 1 April 2019 before 6 am CET Settlement for value: 8 April 2019 | 30 April 2019 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Světových firem s lookbackem 2

1. Basic details

Name

ČSOB Světových firem s lookbackem 2

Date of incorporation

2 May 2019

Life

Limited to 29 April 2025

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to pay back at Maturity at least 100% of the initial subscription price, and secondly, to generate a potential capital gain that is contingent on the evolution of a basket of 30 quality shares of companies that are characterised by a high market capitalisation.

If the End Value of the basket of 30 quality shares of companies that are characterised by a high market capitalisation has risen relative to its Minimum Starting Value, 70% of the increase $(= (\text{Value at Maturity} - \text{Minimum Starting Value}) / \text{Initial Value})$ will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain is capped at 70% (yield to maturity of 9.56% before taxes and charges). Negative performances of the basket are not taken into account.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Tuesday 29 April 2025 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Tuesday 9 July 2019 inclusive.

Minimum Starting Value

The lowest value of the Starting Value and the lowest Value of the basket on the Initial Observation Days and is always lower than or equal to the Starting Value.

Initial Observation Dates

The first Valuation Day of each month from and including August 2019 up to and including October 2019 (inclusive).

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from October 2023 through March 2025 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|-----------------------------------|-----------------|------------------|--------------------------------|
| 1 | ABN AMRO GROUP NV | ABN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 2 | ANNALY CAPITAL MANAGEMENT INC | NLY UN Equity | NEW YORK - XNYS | 3.0000% |
| 3 | ASSICURAZIONI GENERALI | G IM Equity | MILANO - MTAA | 8.0000% |
| 4 | AXA SA | CS FP Equity | PARIS - XPAR | 2.0000% |
| 5 | BCE INC | BCE CT Equity | TORONTO - XTSE | 2.0000% |
| 6 | COMMONWEALTH BANK OF AUSTRAL (AT) | CBA AT Equity | SYDNEY - XASX | 2.0000% |
| 7 | DEUTSCHE TELEKOM AG-REG | DTE GY Equity | FRANKFURT - XETR | 2.0000% |
| 8 | ENDESA SA (SQ) | ELE SQ Equity | MADRID - XMAD | 5.0000% |
| 9 | ENEL SPA | ENEL IM Equity | MILANO - MTAA | 5.0000% |
| 10 | ENI SPA | ENI IM Equity | MILANO - MTAA | 2.0000% |
| 11 | LEGAL & GENERAL GROUP PLC | LGEM LN Equity | LONDON - XLON | 2.0000% |
| 12 | NATIONAL AUSTRALIA BANK LTD (AT) | NAB AT Equity | SYDNEY - XASX | 2.0000% |
| 13 | NATIONAL GRID PLC | NG/ LN Equity | LONDON - XLON | 2.0000% |
| 14 | NATURGY ENERGY GROUP SA | NTGY SQ Equity | MADRID - XMAD | 7.0000% |
| 15 | NISSAN MOTOR CO LTD | 7201 JT Equity | TOKYO - XTKS | 6.0000% |
| 16 | ORANGE | ORA FP Equity | PARIS - XPAR | 4.0000% |
| 17 | RED ELECTRICA CORPORACION SA | REE SQ Equity | MADRID - XMAD | 2.0000% |
| 18 | REPSOL SA | REP SQ Equity | MADRID - XMAD | 2.0000% |
| 19 | SNAM SPA | SRG IM Equity | MILANO - MTAA | 2.0000% |
| 20 | SSE PLC | SSE LN Equity | LONDON - XLON | 4.0000% |
| 21 | SVENSKA HANDELSBANKEN-A SHS | SHBA SS Equity | STOCKHOLM - XSTO | 4.0000% |
| 22 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 23 | SYDNEY AIRPORT | SYD AT Equity | SYDNEY - XASX | 2.0000% |
| 24 | TELEFONICA SA (SQ) | TEF SQ Equity | MADRID - XMAD | 2.0000% |
| 25 | TELIA CO AB | TELIA SS Equity | STOCKHOLM - XSTO | 2.0000% |
| 26 | TOTAL SA | FP FP Equity | PARIS - XPAR | 2.0000% |
| 27 | TRANSCANADA CORP | TRP CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | WESFARMERS LIMITED (AT) | WES AT Equity | SYDNEY - XASX | 2.0000% |
| 29 | WP CAREY INC | WPC UN Equity | NEW YORK - XNYS | 2.0000% |
| 30 | ZURICH INSURANCE GROUP AG | ZURN SE Equity | ZURICH - XVTX | 8.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Světových firem s lookbackem 2, about 553 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Světových firem s lookbackem 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) it has a high market capitalisation, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Defensive profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Světových firem s lookbackem 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6312530619 | 2 May 2019 through 1 July 2019 before 6 am CET Settlement for value: 9 July 2019 | 31 July 2019 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund

ČSOB Velmi odvážný

1. Basic details

Name

ČSOB Velmi odvážný

Date of incorporation

1 September 2014

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to CSOB Asset Management a.s. investiční společnost, Radlicka 333/150 , 150 57 , Praha 5, Czech Republic.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The investment policy aims to track the strategy recommended for an investor with a specific risk profile.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.
The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

The sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments ("the stock component"), bonds and/or bond-related investments ("the bond component"), money market instruments, cash and/or alternative investments (including real estate, and financial instruments that are linked to price movements on the commodity market).

The bond component will never exceed 40% of the portfolio and the stock component will never be less than 60% of the portfolio.

The asset allocation follows the investment strategy recommended by CSOB Asset Management for the very dynamic investor on the Czech market (see www.csobam.cz/portal/informace-o-csob-am Investiční strategie)

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The currency risk of the assets of the sub-fund relative to the CZK can be fully or partially hedged and currency exposure can be taken in any currency and in any direction up to the level of the equity component in accordance with the investment strategy recommended by CSOB Asset Management.

The fund is actively managed with reference to the following benchmark: 80% MSCI All Countries World CZK Hedged - Net Return Index, 10% JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index, 6% iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index, 2% JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index, 1% JP Morgan EMBI CZK Hedged - Total Return Index, 1% JP Morgan GBI EM Global Diversified CZK - Total Return Index.

However, it is not the aim of the fund to replicate the benchmark. The composition of the benchmark is taken into account when compiling the portfolio.

The composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

The benchmark is also used to determine the fund's risk limitation mechanism. This limits the extent to which the fund's return may deviate from the benchmark.

The longterm expected tracking error for this fund is 4.00%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable

economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

Source: MSCI. No MSCI Party nor any other party involved in or related to compiling, computing or creating the MSCI data, makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates, or any third party involved in compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies:

Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or

- in government bonds issued in local currency or non-subordinated corporate bonds* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has investment grade rating by at least one of the rating agencies mentioned above, and/or

- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the Sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

Investments in assets other than securities or money market instruments

The sub-fund will primarily invest in units in Undertakings for Collective Investment.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the equity component. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | high | since there are investments in securities that are denominated in currencies other than the Czech Koruna, there is a considerable chance that the value of an investment will be affected by movements in exchange rates. |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the equity component. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | none | |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Highly dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 6 am CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

ČSOB Velmi odvážný - Classic Shares

There is a minimum subscription value of 500 CZK (both during as well as after the initial subscription period).

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6327053342 | 12 April 2021 through 3 May 2021 before 6 am CET Settlement for value: 6 May 2021 | 4 May 2021 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|---|
| Fee for managing the investment portfolio | Max 1.50% | <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 1.50% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Velmi odvážný - Classic Shares

CSOB Premium

There is a minimum subscription value of 50000 CZK (both during as well as after the initial subscription period).

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: <https://www.csobpremium.cz/portal/get-premium-benefits>

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6285921308 | 23 May 2016 through 2 August 2016 before 6 am CET Settlement for value: 5 August 2016 | 3 August 2016 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 2.50% After the initial subscription period: max. 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|---|
| Fee for managing the investment portfolio | Max 1.20% | <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 1.20% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Velmi odvážný - Classic Shares

CSOB Private Banking

There is a minimum subscription value of 100000 CZK (both during as well as after the initial subscription period).

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: www.csobpb.cz/portal/about-us

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6270085051 | 1 September 2014 through 30 September 2014 before 6 am CET Settlement for value: 3 October 2014 | 1 October 2014 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 1.00% After the initial subscription period: max. 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|---|
| Fee for managing the investment portfolio | Max 1.18% | <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 1.18% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund

ČSOB Velmi opatrný

1. Basic details

Name

ČSOB Velmi opatrný

Date of incorporation

15 October 2012

Life

Unlimited

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to CSOB Asset Management a.s. investiční společnost, Radlicka 333/150, 150 57, Praha 5, Czech Republic.

Stock exchange listing

Not applicable.

2. Investment information

Sub-fund's object

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income.

Sub-fund's investment policy

Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Permitted derivatives transactions

Derivatives can be used both to achieve the investment objectives and to hedge risks.

Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives. Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

Selected strategy

The sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments ("the stock component"), bonds and/or bond-related investments ("the bond component"), money market instruments, cash and/or alternative investments (including real estate, and financial instruments that are linked to price movements on the commodity market).

The bond component will never exceed 95% of the portfolio and the stock component will never exceed 20% of the portfolio.

The asset allocation follows the investment strategy recommended by CSOB Asset Management for the very defensive investor on the Czech market (see www.csobam.cz/portal/informace-o-csob-am >Investiční strategie).

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The currency risk of the assets of the sub-fund relative to the CZK can be fully or partially hedged and currency exposure can be taken in any currency and in any direction up to the level of the equity component in accordance with the investment strategy recommended by CSOB Asset Management.

The fund is actively managed with reference to the following benchmark: 45% JP Morgan GBI Czech Republic 1-5Y CZK - Total Return Index, 9% JP Morgan EMU Investment Grade 1-5Y CZK Hedged - Total Return Index, 4.5% JP Morgan EMBI CZK Hedged - Total Return Index, 4.5% JP Morgan GBI EM Global Diversified CZK - Total Return Index, 27% iBoxx Eur Corporates 1-5 Y CZK Hedged - Total Return Index, 10% MSCI All Countries World CZK Hedged - Net Return Index.

However, it is not the aim of the fund to replicate the benchmark. The composition of the benchmark is taken into account when compiling the portfolio.

The composition of the portfolio will to a large extent be similar to that of the benchmark.

The benchmark is also used to assess the performance of the sub-fund.

The benchmark is also used to determine the fund's risk limitation mechanism. This limits the extent to which the fund's return may deviate from the benchmark.

The longterm expected tracking error for this fund is 1.50%. The tracking error measures the volatility of the fund's return relative to that of the benchmark. The higher the tracking error, the more the fund's return fluctuates relative to the benchmark. Market conditions may cause the actual tracking error to differ from the expected tracking error.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable

economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR')

The principal adverse impacts on sustainability factors are explicitly taken into account through the General exclusion policy. More information on the principal adverse impact indicators that are taken into account can be found at www.kbc.be/investment-legal-documents > General exclusion policy for conventional and Responsible Investing funds and www.kbc.be/investment-legal-documents > Exclusion policies for Responsible Investing funds.

In addition, the principal adverse impacts on sustainability factors are implicitly taken into account through the Proxy Voting and Engagement Policy of KBC Asset Management NV (more information can be found at www.kbc.be/investment-legal-documents > Retrospective Proxy Voting - overview > Proxy Voting and Engagement Policy).

KBC Asset Management NV exercises the voting rights of the shares it manages in accordance with the Proxy Voting and Engagement Policy. Where appropriate, KBC Asset Management NV will engage in dialogue with the management of the companies concerned, if necessary before voting.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Required disclaimers for benchmark providers:

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201(7), J.P. Morgan Chase & Co. All rights reserved.

Neither Markit, its affiliates nor any data provider make any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herein or as to the results to be obtained by any recipients of this data. Neither Markit, its affiliates nor any data provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions, regardless of cause, in the data provided by Markit or for any damages (whether direct or indirect) resulting therefrom. Markit is under no obligation to vary, amend, remove or add to the data or to notify a recipient in any manner in the event that a matter mentioned in the present document should subsequently be amended or become incorrect. Without limiting the foregoing, neither Markit, its affiliates nor any data provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgments, or any other conclusions, or any course of action determined, by you or by a third party, whether or not based on the content, the information or the materials contained herein. Copyright © 2016, Markit Indices Limited.

Source: MSCI. No MSCI Party nor any other party involved in or related to compiling, computing or creating the MSCI data, makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates, or any third party involved in compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Characteristics of the bonds and debt instruments

The sub-fund invests in bonds and debt instruments issued by both companies and public authorities.

The sub-fund invests directly and/or indirectly at least 50% of its assets in bonds and debt instruments

- in securities rated investment grade (at least BBB-/Baa3 for long-term debt, A3/F3/P3 for short-term debt) by at least one of the following rating agencies:

Moody's Investors Service, Standard & Poor's or Fitch Ratings, and/or

- in government bonds issued in local currency or non-subordinated corporate bonds* which do not have a credit rating from the rating agencies mentioned above but the issuer of which has investment grade rating by at least one of the rating agencies mentioned above, and/or

- in money market instruments whose issuer has an investment grade rating (minimum A3/F3/P3 for short-term debt) from at least one of the above rating agencies.

This means that the Sub-fund may invest up to 50% of its assets invested in bonds and debt instruments that do not have a credit rating from the above-mentioned rating agencies and/or which do not comply with the above-mentioned credit requirements.

All maturities are taken into consideration in the selection of bonds and debt instruments.

*In the event of the bankruptcy of the relevant issuer, subordinated bonds are subordinated to the company's other debts: the company's other debts are paid first, then and only if there is still capital left, the holders of the subordinated bonds are fully or partially repaid; the holder of the subordinated bond does, however, have priority over the shareholders of the issuer in question.

Investments in assets other than securities or money market instruments

The sub-fund may invest primarily in units in Undertakings for Collective Investment.

3. Risk

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | low | |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | low | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | low | |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | none | |
| Inflation risk | Risk of inflation | moderate | the bond component does not provide any protection against an increase in inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that shares are being held by persons other than those permitted to hold them, the Company may, in accordance with article 8.2 of the articles of association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those shares.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders |
|---|--|--|--|
| D (every banking day ⁽²⁾ at 6 am CET) | D+1 banking day | D if maximum 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) D+1 if more than 20% of the actual values are already known on D (every banking day ⁽²⁾ at 6 am CET) | D+3 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

⁽²⁾ with the exception of banking days on which one or more markets on which more than 20% of the sub-fund's assets are listed are closed or if transactions are suspended or restricted.

Calculation of the net asset value

The net asset value is calculated daily, as described above, except on days on which no shares may be issued or redeemed.

Publication of the net asset value

The 'Information concerning the Bevek – I. Additional information – Publication of the net asset value' section specifies where the result of the calculation of the net asset value can be viewed.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors of the Bevek may decide to refuse the orders placed during the initial subscription period and not to proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Shares may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered shares are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The shareholders will receive payment within six months of the close of the financial year via institutions designated for this purpose by the General Meeting.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information on the type and/or class of shares and the fees and charges associated with them is set out below by type and/or share class.

ČSOB Velmi opatrný - Classic Shares

There is a minimum subscription value of 500 CZK (both during as well as after the initial subscription period).

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6327055362 | 12 April 2021 through 3 May 2021 before 6 am CET Settlement for value: 6 May 2021 | 4 May 2021 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 0.81%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 0.81% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Velmi opatrný - Classic Shares

CSOB Premium

There is a minimum subscription value of 50000 CZK (both during as well as after the initial subscription period).

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: <https://www.csobpremium.cz/portal/get-premium-benefits>

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6285922314 | 23 May 2016 through 2 August 2016 before 6 am CET Settlement for value: 5 August 2016 | 3 August 2016 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 2.50% After the initial subscription period: max. 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 0.58%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 0.58% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

ČSOB Velmi opatrný - Classic Shares

CSOB Private Banking

There is a minimum subscription value of 100000 CZK (both during as well as after the initial subscription period).

This share class is reserved for trading to persons who at the time of subscription belong to the segment of the financial institution stated in the name of the share class. The criteria for belonging to this segment are available at: www.csobpb.cz/portal/about-us

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6242540084 | 15 October 2012 through 30 November 2012 Settlement for value: 5 December 2012 | 3 December 2012 | 1 000 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between subfunds</i> |
|--|---|----------------------------|--|
| Trading fee | During the initial subscription period: max. 1.00% After the initial subscription period: max. 1.00% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | - | - | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | <p>Max 0.58%</p> <p>per year calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>CSOB Asset Management a.s. investiční společnost receives a fee from the management company of max. 0.58% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to max. 1.70% a year.</p> <p>Max 0.01%</p> <p>per year calculated on the basis of the portion of the average total net assets of the sub-fund that are directly invested in bonds and debt instruments, compensating the use of research to those instruments.</p> | |
| Administration fee | 0.10% | per year calculated on the basis of the average total net assets of the sub-fund. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.04% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this non-structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | 0.10% | of the net assets of the sub-fund per year. |

Information concerning the sub-fund ČSOB Zboží dlouhodobé spotřeby 1

1. Basic details

Name

ČSOB Zboží dlouhodobé spotřeby 1

Date of incorporation

3 December 2018

Life

Limited to 29 November 2024

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of companies that are predominantly active as producers or wholesalers and retailers of consumer goods, such as companies in the automotive industry, consumer durables and apparel.

If the Value of the basket of 30 shares of companies that are predominantly active as producers or wholesalers and retailers of consumer goods, such as companies in the automotive industry, consumer durables and apparel has risen relative to its Starting Value, 60% of this increase in Value $(= (\text{End Value} - \text{Starting Value}) / \text{Starting Value})$ will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 70% (yield to maturity of 9.56% before taxes and charges).

Negative performances of the basket are not taken into account.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Friday 29 November 2024 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Friday 8 February 2019 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from May 2023 through October 2024 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------------|------------------|-------------------|--------------------------------|
| 1 | ADIDAS AG | ADS GY Equity | FRANKFURT - XETR | 2.0000% |
| 2 | BARRATT DEVELOPMENTS PLC | BDEV LN Equity | LONDON - XLON | 5.0000% |
| 3 | BAYERISCHE MOTOREN WERKE AG | BMW GY Equity | FRANKFURT - XETR | 5.0000% |
| 4 | BELLWAY PLC | BWY LN Equity | LONDON - XLON | 3.0000% |
| 5 | BERKELEY GROUP HOLDINGS/THE | BKG LN Equity | LONDON - XLON | 7.0000% |
| 6 | BRIDGESTONE CORP | 5108 JT Equity | TOKYO - XTKS | 3.0000% |
| 7 | BURBERRY GROUP PLC | BRBY LN Equity | LONDON - XLON | 2.0000% |
| 8 | CIE FINANCIERE RICHEMON-BR A | CFR SE Equity | ZURICH - XVTX | 3.0000% |
| 9 | CONTINENTAL AG | CON GY Equity | FRANKFURT - XETR | 2.0000% |
| 10 | DAIMLER AG | DAI GY Equity | FRANKFURT - XETR | 5.0000% |
| 11 | DENSO CORP | 6902 JT Equity | TOKYO - XTKS | 2.0000% |
| 12 | FORD MOTOR CO | F UN Equity | NEW YORK - XNYS | 2.0000% |
| 13 | GENERAL MOTORS CO | GM UN Equity | NEW YORK - XNYS | 2.0000% |
| 14 | HONDA MOTOR CO LTD | 7267 JT Equity | TOKYO - XTKS | 2.0000% |
| 15 | HYUNDAI MOTOR | 005380 KP Equity | SEOUL - XKRX | 2.0000% |
| 16 | LVMH MOET HENNESSY LOUIS VUI | MC FP Equity | PARIS - XPAR | 2.0000% |
| 17 | MICHELIN (CGDE)-B | ML FP Equity | PARIS - XPAR | 2.0000% |
| 18 | MONCLER SPA | MONC IM Equity | MILAN - MACX | 2.0000% |
| 19 | NISSAN MOTOR CO LTD | 7201 JT Equity | TOKYO - XTKS | 8.0000% |
| 20 | PANASONIC CORP | 6752 JT Equity | TOKYO - XTKS | 2.0000% |
| 21 | PANDORA | PNDORA DC Equity | COPENHAGEN - XCSE | 7.0000% |
| 22 | PERSIMMON PLC | PSN LN Equity | LONDON - XLON | 6.0000% |
| 23 | PEUGEOT SA | UG FP Equity | PARIS - XPAR | 2.0000% |
| 24 | RENAULT SA | RNO FP Equity | PARIS - XPAR | 2.0000% |
| 25 | SONY CORP | 6758 JT Equity | TOKYO - XTKS | 2.0000% |
| 26 | SUBARU CORP | 7270 JT Equity | TOKYO - XTKS | 8.0000% |
| 27 | SUZUKI MOTOR CORP | 7269 JT Equity | TOKYO - XTKS | 2.0000% |
| 28 | TAYLOR WIMPEY PLC | TW/ LN Equity | LONDON - XLON | 2.0000% |
| 29 | TOYOTA MOTOR CORP | 7203 JT Equity | TOKYO - XTKS | 4.0000% |
| 30 | VOLKSWAGEN AG PREF | VOW3 GY Equity | FRANKFURT - XETR | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Zboží dlouhodobé spotřeby 1, about 183 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Zboží dlouhodobé spotřeby 1 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company active in the sector of certain consumer goods, in particular the automotive industry or consumer durables and apparel, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket (the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in shares of companies operating in sectors that are sensitive to consumption levels. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|--|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Zboží dlouhodobé spotřeby 1

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|--|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6308810272 | 3 December 2018 through 1 February 2019 before 6 am CET Settlement for value: 8 February 2019 | 28 February 2019 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Zdravotnictví a farmacie 4

1. Basic details

Name

ČSOB Zdravotnictví a farmacie 4

Date of incorporation

2 May 2023

Life

Limited to 28 February 2029

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share the initial subscription price of 10 CZK at Maturity.(i.e. the capital protection). This capital protection is provided through a financial mechanism that will be explained in more detail under the heading *Capital protection*. However, the capital protection does not apply to shareholders who sell their shares before Maturity.
- (2) To provide a potential return through an investment in swaps. The various types of swaps in which the sub-fund may invest are explained in more detail under the *Potential return*.

Capital Protection

The financial mechanism used to achieve capital protection

The financial mechanism used to achieve capital protection at Maturity consists of an investment of the total amount of the subscriptions in bonds and other debt instruments, deposits and/or liquid assets (including cash deposited on a time-deposit account or current account). These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the due dates of the obligations of the sub-fund.

Criteria the investments must meet

The investments must meet one of the following criteria:

- (1) An investment in deposits and/or debt instruments, placed with or issued by financial institutions under the prudential supervision of and established in a Member State of the European Economic Area.
- (2) An investment in debt instruments issued or guaranteed by a Member State of the European Economic Area.
- (3) An investment under an investment strategy with an analogous structure and identical counterparty risk as a direct investment in deposits and/or debt instruments as stated under (1) and (2) above.

The investments under (3) may consist of:

- (A) An investment in notes listed on a stock exchange that are issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

- (B) An investment in:

- deposits with financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia and/or
- debt instruments issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia.

Prudential supervision of financial institutions in the United Kingdom, Switzerland, the United States of America, Japan, Canada and Australia can be equated to prudential supervision of financial institutions in the member states of the European Economic Area.

The investments in debt instruments issued by financial institutions under prudential supervision in the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia or issued or guaranteed by the United Kingdom, Switzerland, the United States of America, Japan, Canada or Australia have a minimum credit rating as set out under the heading *Characteristics of the bonds and other debt instruments*.

- (C) The investments may also consist of a combination of the investments specified under (A) and (B).

No formal guarantee

No formal guarantee of repayment of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, the capital protection is not binding for the sub-fund as regards the result generated, although achieving this objective through the operation of the financial mechanism is still the top priority.

If the financial mechanism fails and, as a result, the amount per share payable (before deducting charges and taxes) at Maturity is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

The capital protection does not apply to shareholders who sell their shares before Maturity.

Potential return

To achieve a potential return, the sub-fund concludes swaps with one or more prime counterparties. Consequently, the sub-fund transfers a portion of the future income from the investments that were made to achieve capital protection to this counterparty (these counterparties) during the life of the sub-fund. In exchange, the counterparty (counterparties) undertake to provide a potential return as specified under the heading *Selected strategy*.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading 'Permitted asset classes' to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the deposits, bonds and other debt instruments described under the heading *Criteria the investments must meet*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity 100% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares of companies operating in the pharmaceutical and healthcare industries.

At maturity:

- If the evolution of the basket of 30 shares $(= (\text{End Value} - \text{Starting Value}) / \text{Starting Value})$ is less than (or equal to) 12%, then a return of 12% is settled at 100% of the initial subscription price.
- If the evolution of the basket of 30 shares exceeds 12%, then 100% of the increase in the basket $(= (\text{End Value} - \text{Starting Value}) / \text{Starting Value})$, will be offset at 100% of the initial subscription price.

Thus, the return at Maturity will therefore be at least 12%. (actuarial yield: 2.03% before costs and taxes).

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Wednesday 28 February 2029 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 10 July 2023 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from August 2027 through January 2029 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Beveik shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Beveik will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|------------------------------|-----------------|-------------------|--------------------------------|
| 1 | ABBVIE INC | ABBV UN Equity | NEW YORK - XNYS | 2.0000% |
| 2 | AEGON NV | AGN NA Equity | AMSTERDAM - XAMS | 5.0000% |
| 3 | AMGEN (UW) | AMGN UW Equity | NEW YORK - XNGS | 2.0000% |
| 4 | ASTELLAS PHARMA INC | 4503 JT Equity | TOKYO - XTKS | 2.0000% |
| 5 | BRISTOL-MYERS SQUIBB CO | BMJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 6 | DAI ICHI LIFE HOLDINGS INC | 8750 JT Equity | TOKYO - XTKS | 3.0000% |
| 7 | EUROFINS SCIENTIFIC | ERF FP Equity | PARIS - XPAR | 2.0000% |
| 8 | GILEAD SCIENCES INC (UW) | GILD UW Equity | NEW YORK - XNGS | 2.0000% |
| 9 | GLAXOSMITHKLINE PLC | GSK LN Equity | LONDON - XLON | 4.0000% |
| 10 | GREAT-WEST LIFECO INC | GWO CT Equity | TORONTO - XTSE | 2.0000% |
| 11 | JAPAN POST HOLDINGS CO LTD | 6178 JT Equity | TOKYO - XTKS | 8.0000% |
| 12 | JOHNSON & JOHNSON | JNJ UN Equity | NEW YORK - XNYS | 2.0000% |
| 13 | MANULIFE FINANCIAL CORP | MFC CT Equity | TORONTO - XTSE | 2.0000% |
| 14 | MEDTRONIC INC | MDT UN Equity | NEW YORK - XNYS | 2.0000% |
| 15 | MERCK & CO. INC. | MRK UN Equity | NEW YORK - XNYS | 2.0000% |
| 16 | NN GROUP NV | NN NA Equity | AMSTERDAM - XAMS | 3.0000% |
| 17 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 8.0000% |
| 18 | NOVO NORDISK A/S-B | NOVOB DC Equity | COPENHAGEN - XCSE | 2.0000% |
| 19 | ONO PHARMACEUTICAL CO LTD | 4528 JT Equity | TOKYO - XTKS | 3.0000% |
| 20 | OTSUKA HOLDINGS CO LTD | 4578 JT Equity | TOKYO - XTKS | 2.0000% |
| 21 | PFIZER INC | PFE UN Equity | NEW YORK - XNYS | 4.0000% |
| 22 | POSTE ITALIANE SPA | PST IM Equity | MILANO - MTAA | 2.0000% |
| 23 | POWER CORP OF CANADA | POW CT Equity | TORONTO - XTSE | 3.0000% |
| 24 | PRUDENTIAL FINANCIAL INC | PRU UN Equity | NEW YORK - XNYS | 2.0000% |
| 25 | ROCHE HOLDING AG-GENUSSCHEIN | ROG SE Equity | ZURICH - XVTX | 8.0000% |
| 26 | SONIC HEALTHCARE LTD | SHL AT Equity | SYDNEY - XASX | 2.0000% |
| 27 | SUN LIFE FINANCIAL INC | SLF CT Equity | TORONTO - XTSE | 2.0000% |
| 28 | SWISS LIFE HOLDING AG-REG | SLHN SE Equity | ZURICH - XVTX | 8.0000% |
| 29 | TAKEDA PHARMACEUTICAL CO LTD | 4502 JT Equity | TOKYO - XTKS | 7.0000% |
| 30 | UCB SA | UCB BB Equity | BRUSSELS - XBRU | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Zdravotnictví a farmacie 4, about 201 equities were selected during step 1. The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Zdravotnictví a farmacie 4 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company operating in the pharmaceutical or healthcare industry, (iii) the Board of Directors of the Beveik has approved its inclusion in the basket, (iv) the issuer is not included in the KBC Group Policy on Blacklisted Companies* and (v) at the time the swap contracts are being concluded (see 'Permitted swap transactions'), the issuer of the share complies with the KBC Group Investment Policy* (the 'Selection criteria').

* The KBC Group Policy on Blacklisted Companies and the KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 1 'KBC Group Policy on Blacklisted Companies' and 2 'KBC Group Investment Policy'.

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria and comply with the KBC Group Investment Policy* after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria and complies with the KBC Group Investment Policy*, or by a basket of shares arising from the demerger which meet the selection criteria and comply with the KBC Group Investment Policy*. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria or comply with the KBC Group Investment Policy*, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

* The KBC Group Investment Policy can be found at www.kbc.be/investment-legal-documents > General exclusion policies for conventional funds and socially responsible investment funds, Paragraph 2 'KBC Group Investment Policy'.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|--|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | moderate | there is a concentration of the investments in the shares of companies in the pharmaceutical and health care industries. |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | none | |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Zdravotnictví a farmacie 4

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6341263828 | 2 May 2023 through 3 July 2023 before 6 am CET Settlement for value: 10 July 2023 | 31 July 2023 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------------------|--|
| Fee paid to the independent directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | - | - |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments in bonds and other debt instruments, deposits, and/or liquid assets in order to achieve the capital protection on the Maturity date (see *The financial mechanism used to achieve capital protection*), and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if due to the failure of the financial mechanism, the amount that should be paid per unit (after deducting taxes and charges) on the final maturity date, as relevant, is lower than the initial subscription price, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Criteria the investments must meet*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.

Information concerning the sub-fund ČSOB Zpetného odkupu 2

1. Basic details

Name

ČSOB Zpetného odkupu 2

Date of incorporation

2 July 2018

Life

Limited to 30 July 2024

Delegation of the management of the investment portfolio

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

Stock exchange listing

Not applicable.

2. Investment information

Object of the sub-fund

Description of the sub-fund's object

The object of the sub-fund is twofold (before deducting charges and taxes):

- (1) To repay per share at least 90% of the initial subscription price of 10 CZK at Maturity, i.e. 9 CZK using the investments described under the heading *Permitted asset classes*.
- (2) To provide a potential return through an investment in swaps.
To this end, the sub-fund assigns a portion of the future income from the investments described under *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertakes (undertake) to provide a potential return.
The various types of swaps in which the sub-fund may invest are explained in more detail under the heading *Permitted swap transactions*.

No formal guarantee of repayment of at least 90% of the initial subscription price is provided to the sub-fund or to its shareholders. In other words, this objective is not binding for the sub-fund as regards the result generated, although achieving this objective through the investments described under the heading *Permitted asset classes* is still the top priority.

If the objective to repay per share at least 90% of the initial subscription price at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it has received during the current financial year from the sub-fund – and possibly also from other sub-funds of the Bevek – to cover the shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

This objective to repay per share at least 90% of the initial subscription price does not apply to shareholders who sell their shares before Maturity.

Sub-fund's investment policy

Permitted asset classes

Pursuant to the provisions of the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC, the sub-fund may invest in transferable securities (including bonds and other debt instruments), money market instruments, units (shares) in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as and to the extent permitted by the applicable legislation. These investments can have different maturities and coupon payment dates. Using the swaps described under the heading *Permitted swap transactions* (2), these investments are matched with the obligations of the sub-fund.

The investment limits and restrictions set out in the Royal Decree of 12 November 2012 on undertakings for collective investment complying with the conditions of Directive 2009/65/EC will be respected at all times.

The sub-fund may invest in, among other things, listed bonds issued by 'Special Purpose Vehicles' (SPVs).

These SPVs are managed by KBC Asset Management NV or a subsidiary.

The underlying assets of the bonds issued by the SPVs consist of a diversified portfolio of deposits issued by financial institutions, bonds, other debt instruments and financial derivatives. When selecting these underlying assets, account is taken of criteria relating to allocation and creditworthiness (see *Permitted asset classes* and *Characteristics of the bonds and other debt instruments*) in order to limit the counterparty risk.

Further details of the criteria these underlying deposits, bonds, other debt instruments and financial derivatives must meet are provided in the base prospectuses for the SPVs, which can be viewed at or downloaded from <http://www.kbc.be/prospectus/spv>.

Investors are provided with information on the investments made by both the sub-fund and the SPVs in the annual and half-yearly reports on the open-ended investment company under Belgian law (Bevek) to which the sub-fund belongs. These reports can also be viewed at or downloaded from <http://www.kbc.be/>.

Characteristics of the bonds and other debt instruments

During the sub-fund's life, the average credit rating of the bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, an average credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the long-term bonds and other debt instruments shall be at least 'A-' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

At the start of the investment, the credit rating of the short-term bonds and other debt instruments shall be at least 'A-1' from Standard & Poor's or an equivalent rating from Moody's or Fitch, or, if there is no credit rating available, a credit risk profile that the manager considers to be at least equivalent.

When selecting the bonds and other debt instruments, all maturities are taken into consideration.

Permitted swap transactions

The swaps described below have been concluded with a prime counterparty or prime counterparties within the limits laid down by law.

(1) To achieve a potential return, the sub-fund concludes swaps. Under such swap contracts, the sub-fund transfers a portion of the future income from the investments described under the heading *Permitted asset classes* to the counterparty or counterparties during the life of the sub-fund. In exchange, the counterparty or counterparties undertake to provide a potential return as specified under the heading *Selected strategy*.

The use of swaps in this sub-fund can lead to a loss of no more than 10% of the initial invested capital.

The swaps under (1) are essential to achieve the sub-fund's investment objectives, since this technique facilitates achievement of the goal of generating a potential return.

The sub-fund's risk profile is not affected by the use of these swaps.

(2) If necessary, the sub-fund also concludes swaps to match the due dates of the commitments of the sub-fund with those of the cash flows stemming from the investments described under the heading *Permitted asset classes*.

These swaps are essential to achieve the sub-fund's investment objectives, since there are not enough bonds and other debt instruments available on the market whose coupon payments and maturity dates always perfectly match the due dates of the sub-fund's obligations.

The sub-fund's risk profile is not affected by the use of these swaps.

(3) In addition, the sub-fund may conclude swaps to protect itself against the credit risk in respect of issuers of bonds and other debt instruments. Through this type of swap, one or more counterparties takes over the risk of an issuer of a bond or other debt instrument in the sub-fund's portfolio defaulting, in exchange for a fee payable by the sub-fund.

The swaps under (3) serve to hedge the credit risk.

The sub-fund's risk profile is not affected by the use of these swaps.

Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

Selected strategy

Investment objectives and strategy:

The sub-fund has two investment objectives: firstly, it seeks to repay at Maturity at least 90% of the initial subscription price and secondly a possible capital gain that is contingent on the evolution of a basket of 30 shares in companies that buy back their own shares.

If the Value of the basket of 30 shares in companies that buy back their own shares has risen relative to its Starting Value, 100% of this increase in Value (= (End Value minus the Starting Value) divided by the Starting Value) will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital gain will be capped at 50% (yield to maturity of 7.12% before taxes and charges). If the Value of the basket of 30 shares in companies that buy back their own shares has fallen relative to its Starting Value, 100% of this fall in Value will be taken into account at Maturity with regard to 100% of the initial subscription price. The capital loss will be capped at 10% (yield to maturity of -1.78% before taxes and charges).

The sub-fund does not, therefore, provide any guaranteed return or capital protection, either during its life or at Maturity.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Transparency of adverse sustainability impacts:

The sub-fund considers the principal adverse impacts of its investment decisions on sustainability factors ('PAI') as described by the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('SFDR').

The principal adverse impacts on sustainability factors are explicitly taken into account at the launch of the sub-fund through the application of the KBC Group Investment Policy as well as through the KBC Group Policy on Blacklisted Companies.

Based on the KBC Group Policy on Blacklisted Companies, all companies on the 'KBC Group Blacklist' (including companies involved in controversial weapons such as those prohibited by Belgian law and nuclear and white phosphorus weapons) are excluded as well as the worst offenders of the UN Global Compact.

Consequently, at launch, the sub-fund takes particular account of exposure to controversial weapons ('indicator 14') by excluding companies involved in controversial weapon systems, and to violations of UN Global Compact principles or Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises ('indicator 10') by excluding the worst offenders of the UN Global Compact. During its lifetime, the sub-fund will also not include any new shares that are the result of a corporate action if the company in question has since been excluded on the basis of the KBC Group Investment Policy.

More information on the KBC Group Investment Policy and the KBC Group Policy on Blacklisted Companies can be found at www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Investment Policy and www.kbc.com/en/corporate-sustainability/setting-rules-and-policies > KBC Group Policy on Blacklisted Companies - June 2020.

Information on the principal adverse impacts on sustainability factors can also be found in the annual report for this sub-fund, which will be published after 1 January 2023.

Maturity

Tuesday 30 July 2024 (payment with a value date of D+1 banking day)

Currency

CZK, for all shares in the basket, changes in the value of the currency in which they are expressed relative to CZK are irrelevant. The investor pays the subscription amount in CZK and will be paid in CZK at Maturity (or earlier). The investor is not protected against any decline in the value of the currency in which the sub-fund is denominated relative to the euro.

Starting Value

Value of the basket based on the weighted average of the Value of the shares included in the basket during the first 10 Valuation Days, starting from Monday 10 September 2018 inclusive.

End Value

Value of the basket based on the weighted average of the Value of the shares included in the basket on the last Valuation Day of the month for the last 18 months before Maturity, more specifically from January 2023 through June 2024 (inclusive).

Value

For all the shares, except for those listed on the Milan stock exchange, the closing price, namely the price of a share in the basket as calculated and notified at closing of the stock exchange by the authority of the stock exchange on which the share is listed (or its legal successor). The reference price is used for shares listed on the Milan stock exchange.

Valuation day

A Valuation Day is set separately for each share in the basket.

A Valuation Day is a day that is a planned trading day both

- i) for the stock exchange on which the share is listed and
- ii) for the stock exchange whose activities have a substantial influence on the trading of options and futures on the share concerned

hereinafter referred to as 'the stock exchanges concerned'.

If on the Valuation Day,

- a) one of the stock exchanges concerned is unexpectedly closed or
- b) there is an event that disrupts the market for a stock exchange concerned or
- c) one of the stock exchanges concerned closes early,

the original Valuation Day is replaced by the following trading day when no event as referred to in a), b) or c) above occurs. An extraordinary closure that has been announced in advance is not considered as early closure.

If a valuation is made on consecutive Valuation Days, the trading day that replaces the original Valuation Day (i) may not coincide with another original Valuation Day and (ii) may not be a trading day that already replaces another original Valuation Day.

However, if an event as referred to under a), b) or c) above occurs on each of the eight trading days following the original Valuation Day,

- (i) the eighth trading day shall be considered as the original Valuation Day and
- (ii) the Bevek shall assess, in good faith and in consultation with the prime counterparty or counterparties with which it has concluded a swap agreement, the price of the share as it would have been traded on that eighth trading day and
- (iii) the Bevek will notify shareholders of any changes regarding setting the Starting Value and/or End Value and conditions of payment.

Relevant basket

In the table below, the columns from left to right reflect the number of the share, the name of the share, the Bloomberg code, the exchange on which it trades (City-MIC Code) and its initial weighting in the basket.

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|--------------------------|----------------|------------------|--------------------------------|
| 1 | AEGON NV | AGN NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 2 | ASTRAZENECA PLC (LONDON) | AZN LN Equity | LONDON - XLON | 2.0000% |
| 3 | AUTO TRADER GROUP PLC | AUTO LN Equity | LONDON - XLON | 2.0000% |
| 4 | BHP BILLITON PLC | BLT LN Equity | LONDON - XLON | 2.0000% |
| 5 | BNP PARIBAS | BNP FP Equity | PARIS - XPAR | 2.0000% |
| 6 | BP PLC | BP/ LN Equity | LONDON - XLON | 2.0000% |
| 7 | CARNIVAL PLC | CCL LN Equity | LONDON - XLON | 2.0000% |
| 8 | DUKE ENERGY CORP | DUK UN Equity | NEW YORK - XNYS | 4.0000% |
| 9 | EXXON MOBIL CORP | XOM UN Equity | NEW YORK - XNYS | 2.0000% |

| (i) | Name | Bloomberg Code | Exchange | Initial Weighting Coefficients |
|-----|----------------------------------|----------------|------------------|--------------------------------|
| 10 | IBERDROLA SA (SQ) | IBE SQ Equity | MADRID - XMCE | 7.0000% |
| 11 | INCHCAPE PLC | INCH LN Equity | LONDON - XLON | 2.0000% |
| 12 | KIMBERLY-CLARK CORP | KMB UN Equity | NEW YORK - XNYS | 2.0000% |
| 13 | KONINKLIJKE DSM NV | DSM NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 14 | KONINKLIJKE PHILIPS NV | PHIA NA Equity | AMSTERDAM - XAMS | 2.0000% |
| 15 | MARKS & SPENCER GROUP PLC | MKS LN Equity | LONDON - XLON | 3.0000% |
| 16 | MICHELIN (CGDE)-B | ML FP Equity | PARIS - XPAR | 2.0000% |
| 17 | MUENCHENER RUECKVER AG-REG | MUV2 GY Equity | FRANKFURT - XETR | 4.0000% |
| 18 | NESTLE SA-REG | NESN SE Equity | ZURICH - XVTX | 8.0000% |
| 19 | NOVARTIS AG-REG | NOVN SE Equity | ZURICH - XVTX | 7.0000% |
| 20 | PEARSON PLC | PSON LN Equity | LONDON - XLON | 2.0000% |
| 21 | REPSOL SA | REP SQ Equity | MADRID - XMCE | 5.0000% |
| 22 | RIGHTMOVE PLC | RMV LN Equity | LONDON - XLON | 2.0000% |
| 23 | ROYAL DUTCH SHELL PLC-A (LONDON) | RDSA LN Equity | LONDON - XLON | 2.0000% |
| 24 | SANOFI | SAN FP Equity | PARIS - XPAR | 8.0000% |
| 25 | SCHNEIDER ELECTRIC SA | SU FP Equity | PARIS - XPAR | 2.0000% |
| 26 | SIEMENS AG-REG | SIE GY Equity | FRANKFURT - XETR | 2.0000% |
| 27 | SOCIETE GENERALE | GLE FP Equity | PARIS - XPAR | 4.0000% |
| 28 | SWISS RE AG | SREN SE Equity | ZURICH - XVTX | 8.0000% |
| 29 | TOTAL SA | FP FP Equity | PARIS - XPAR | 4.0000% |
| 30 | UNILEVER PLC | ULVR LN Equity | LONDON - XLON | 2.0000% |

Basket composition methodology

KBC Asset Management used the following methodology to determine the composition of the sub-fund's basket.

Step 1 :

The starting point is the global equities universe from which a selection of potential investments is derived in accordance with the economic criteria for the composition of the basket and subject to restrictions regarding stock market capitalisation and liquid assets.

The economic criteria for the composition of the basket determine the size of the final selection.

Step 2 :

The selection of shares obtained in step 1 is reduced to a short list using a quantitative selection based on past financial data. The shares selected are those of companies that achieve a good score in terms of management quality, a healthy balance-sheet structure and a positive trend in profitability.

Step 3 :

The selection of shares obtained in step 2 is then verified by KBC Asset Management analysts. Shares that are permanently monitored by the analysts and those for which there is a negative recommendation, when the product is launched, are then withdrawn from the selection.

Step 4 :

The last reduction of the selection provides the final basket. This selection was made using the technical parameters of options (including the term, volatility, dividend yield and interest rate).

The final basket must satisfy the legal requirements concerning the quantity of shares and adequate distribution in the weighting. In addition, care is taken to ensure compliance with the geographical and/or sector spread. The analysts make a qualitative assessment of each share used taking account of specific knowledge of these shares and the sectors/regions from which they come, in accordance with the term of the sub-fund.

For the sub-fund Optimum Fund ČSOB Zpetného odkupu 2, about 372 equities were selected during step 1.

The initial selection was reduced by a maximum 20% in step 2.

This was again reduced by 10% (indicative) in step 3. The final basket set up during step 4 is described above under *Relevant basket*. This basket makes it possible to offer the sub-fund Optimum Fund ČSOB Zpetného odkupu 2 under the conditions set out in the investment policy referred to above. Here the selection process uses parameters that could affect the potential return on the investments.

Selection criteria for the basket :

A share/issuer may only form part of the basket if (i) it is listed on a stock exchange, (ii) the issuer is a company that buys back its own shares, and (iii) the Board of Directors of the Bevek has approved its inclusion in the basket

(the 'Selection criteria').

Modifications to the basket due to mergers, acquisitions, demergers, nationalisation, bankruptcy or disqualification :

Mergers or acquisitions

If, during the life of the sub-fund, one or more issuers of shares in the basket are involved in a merger or acquisition, the shares of the relevant issuers which still meet the selection criteria after these operations will be given a weighting in the basket equal to the sum of the weightings of the shares of all issuers involved in the operation. If, after the operation, none of the issuers involved in the operation meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Demergers

If an issuer of a share in the basket proceeds to a demerger, then the share from the issuer concerned can be substituted either by one of the shares that came about as a result of the demerger and that meets the selection criteria, or by a basket of shares arising from the demerger which meet the selection criteria. This basket of shares will, when calculating the number of shares in the basket, be considered as one share. If, after the operation, none of the shares resulting from the demerger meet the selection criteria, the procedures described under 'Nationalisation, bankruptcy or disqualification' will apply.

Nationalisation, bankruptcy or disqualification

If an issuer of a share in the basket is nationalised, declared bankrupt or no longer meets the selection criteria ('disqualification'), this share will be sold at the last known price before removal. The amount thus realised will then be invested until Maturity at the rate of interest in force on money or bond markets at the moment of removal, and this for a term equal to the term remaining until Maturity of the sub-fund. The realised amount plus the interest will be taken into account at Maturity as the result achieved for that share in order to calculate the final increase in the value of the basket at Maturity.

Volatility of the net asset value

The volatility of the net asset value may be high due to the composition of the portfolio.

3. Risk profile

Sub-fund's risk profile

Investors must take note of the specific risk factors set out below, the description of the risks given under the heading 'Information concerning the Bevek - F.Information on the risk profile of the UCITS', and the 'What are the risks and what could I get in return?' section of the key information document.

Summary table of risks assessed by the sub-fund:

| Risk type | Concise definition of the risk | | Explanation: |
|---------------------------|---|----------|---|
| Market risk | The risk that the entire market of an asset class will decline, thus affecting the prices and values of the assets in the portfolio | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Credit risk | The risk that an issuer or a counterparty will default | low | |
| Settlement risk | The risk that settlement of a transaction via a payment system will not take place as expected | low | |
| Liquidity risk | The risk that a position cannot be liquidated in a timely manner at a reasonable price | low | |
| Exchange or currency risk | The risk that the value of an investment will be affected by changes in exchange rates | none | |
| Custody risk | The risk of loss of assets held in custody with a custodian or sub-custodian | low | |
| Concentration risk | The risk relating to a large concentration of investments in specific assets or in specific markets | low | |
| Performance risk | Risks to return | high | the level of the risk reflects the volatility of the stock market and the exchange rate risk in relation to the euro. |
| Capital risk | Risks to capital | moderate | There is no capital protection. |
| Flexibility risk | Inflexibility both within the product and constraints on switching to other providers | low | |
| Inflation risk | Risk of inflation | moderate | there is no protection against an increase of the inflation. |
| Environmental factors | Uncertainty regarding the immutability of environmental factors, such as the tax regime | low | |

Risk profile of the typical investor

Profile of the typical investor for which the sub-fund has been designed : Dynamic profile.

The risk profile mentioned per sub-fund has been determined from the point of view of an investor in the euro area and may differ from that of an investor in other currency zones. More information on the risk profiles can be obtained at www.kbc.be/riskprofile.

4. Information concerning the trading of shares

How to buy and sell shares and switch between sub-funds

If it turns out that units are being held by persons other than those permitted to hold them, the Company may, in accordance with Article 8.2 of the Articles of Association, and without charge (except any taxes due and any charges to cover the cost of realising the assets), redeem those units.

| Cut-off time for receiving orders at the financial service providers in Belgium ⁽¹⁾ Date of published net asset value | Date the net asset value is calculated | Actual values used | Date of payment or repayment of the orders. |
|---|---|---|---|
| D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) | D+1 banking day at the earliest and D+4 banking days at the latest | D if maximum 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) at 6 am CET and on the last banking day of the month at 6 am CET) D + 1 if more than 20% of the actual values are already known on D (the 16 th of the month (if this is not a banking day, the previous banking day) 6 am CET and on the last banking day of the month at 6 am CET) | D + 5 banking days |

⁽¹⁾ The cut-off time for receiving orders stated above applies to orders investors place directly with the financial services providers in Belgium.

If an investor places an order with a financial institution other than the financial service providers in Belgium, he/she must find out from that institution what cut-off time (time + date) applies to the order he/she wishes to place so that the institution in question can take the necessary action to ensure that the order reaches the financial service providers in Belgium before 6 am CET on day D in order to qualify as an order of day D.

Calculation of the net asset value

The net asset value is calculated biweekly, as described above.

Publication of the net asset value

In the 'Information concerning the Bevek - I. Additional information – Publication of the net asset value' is stated where investors may find the result of the calculation of the net asset value.

If the profitability of the sub-fund is jeopardised due to a limited number of subscriptions during the initial subscription period (less than 5 000 000 euros), the Board of Directors may decide to refuse the orders placed during the initial subscription period and to not proceed with the commercialisation of the sub-fund.

5. Types of shares and fees and charges

Units may be in registered or book-entry form, as the shareholder chooses. No certificates representing the registered units are issued. Instead, confirmation is supplied of entry in the register of shareholders.

Dividend payment

After the close of the financial year, the General Meeting determines the portion of the result, which, within the limitations imposed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables, is to be paid to the holders of distribution shares.

The holders of capitalisation shares are not entitled to receive a dividend. The portion of the annual net income accruing to them is capitalised in favour of these shares.

The General Meeting may decide to proceed to interim payments in accordance with the provisions of the law.

The Board of Directors may, in accordance with the provisions laid down in the articles of association and within the limits of the law, decide to pay out interim dividends.

The information concerning the type of shares and/or the type of shareclass, and the fees and charges associated with these, is stated below grouped per type of shares and/or the type of shareclass.

ČSOB Zpetného odkupu 2

| <i>Types of shares offered to the public</i> | <i>Currency for the calculation of the net asset value</i> | <i>ISIN code</i> | <i>The initial subscription period/day (unless the subscription period is closed early)</i> | <i>The first net asset value following the initial subscription period/day</i> | <i>Initial subscription price</i> |
|--|--|------------------|---|--|-----------------------------------|
| CAP (Capitalisation shares) | CZK | BE6304957549 | 2 July 2018 through 3 September 2018 before 6 am CET Settlement for value: 10 September 2018 | 28 September 2018 | 10 CZK |

Recurrent fees and charges paid by the Bevek

| | |
|---------------------------|--|
| Fee paid to the directors | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' |
|---------------------------|--|

One-off fees and charges charged to the investor unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | <i>Subscription</i> | <i>Redemption</i> | <i>Switching between sub-funds</i> |
|--|--|--|--|
| Trading fee | During the initial subscription period: 2.50% After the initial subscription period: 2.50% | - | A trading commission that is equal to the one applicable when buying into the new sub-fund |
| Administrative charges | - | - | - |
| Amount to cover the costs of the purchase/sale of assets | During the initial subscription period: 0.00% After the initial subscription period: 1.00% for the sub-fund | At maturity: 0.00% Before: Orders ≤ 1250000 EUR: 1.00% Orders > 1250000 EUR: 0.50% for the sub-fund | The appropriate amount covering these costs for the sub-funds concerned |
| Amount to discourage sales within one month of purchase | - | Max 5.00% for the sub-fund | Max 5.00% for the sub-fund |
| Stock market tax | see the 'Information concerning the Bevek - H. Tax treatment' | | |

Recurrent fees and charges paid by the sub-fund unless indicated otherwise, in the currency the sub-fund is denominated in or as a percentage of the net asset value per share

| | | |
|--|---|--|
| Fee for managing the investment portfolio | Max 0.20 CZK | per unit per year, as described below. |
| Administration fee | Max 0.01 CZK | per unit per year, based on the number of units issued at the start of each six-month period. |
| Fee for financial services | Max 950 EUR | per year. However, the fee will never exceed a maximum of 0.005% calculated on the basis of the average total net assets of the sub-fund. |
| Custodian's fee | Max 0.05% | per year and calculated monthly on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding month, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group. |
| Fee paid to the bevek's statutory auditor | see the 'Information concerning the Bevek - G. Fees and charges regarding the Bevek' for this structured sub-fund | |
| Annual tax | see the 'Information concerning the Bevek - H. Tax treatment' | |
| Other charges (estimation) such as the regulator's fees, the cost of publication and any marketing costs | | * During the first year following the initial subscription period: 0.30% of the net assets of the sub-fund per year. * After that: 0.10% of the net assets of the sub-fund per year. |

Fee for managing the investment portfolio

KBC Asset Management NV receives a fee for managing the sub-fund's investments. This fee consists of a varying amount of max. 0.20 CZK per unit per year (with a maximum of 0.01 CZK per unit per year for risk management).

This fee, which is calculated every six months, is paid monthly on the last banking day of each month. It can change from one six-month period to the next, within the limits set out below, and is based on the number of units issued at the start of each six-month period.

In the calculation, account is taken of the difference between:

- the return generated by the investments described under *Permitted asset classes* at Maturity and
- the expenses borne by the sub-fund to achieve a potential return (see *Permitted 'swap' transactions*),
- after deducting the expected fixed and variable expenses of the sub-fund, as mentioned above.

Of this, KBC Fund Management Ltd. receives a fee of no more than 0.1895 CZK per unit per year from KBC Asset Management NV for the intellectual management of the sub-fund. KBC Fund Management Ltd. is a wholly owned subsidiary of KBC Asset Management NV.

KBC Asset Management NV has informed the bevek that, if the objective to repay at least 90% of the initial subscription price of 10 CZK per share at Maturity is not achieved, KBC Asset Management NV may decide (but is not obliged to) to use the management fee it receives during the current financial year from the sub-fund – and possibly also from other sub-funds of the bevek – to cover this shortfall. This is not a guarantee from KBC Asset Management NV, which may decide at any time and at its own discretion whether or not to use the management fee for this purpose.

KBC Asset Management NV or one of its subsidiaries has also been appointed manager of the SPVs in which the sub-fund may invest (see *Permitted asset classes*). KBC Asset Management NV or one of its subsidiaries, as the case may be, receives an annual fee from the relevant SPVs for their management. This management fee may not exceed 0.15% per year and is calculated on the assets managed at the end of the quarter.

The sum of (i) the fee for managing the investment portfolio that the sub-fund pays to the management company and (ii) the management fee that the SPVs in which the sub-fund invests pay to the asset manager, shall never exceed 0.20 CZK per unit per year, as described above.